

Western Marxism and the Soviet Union. Evaluating the Debates 1917-2006

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Critical theorizing about the Soviet Union in 1917-2005 appears to fall in four clearly different phases:

- The period 1917-29, in which the classical unilinearism dominated, and post-revolutionary societies were only analyzed in terms of a transition to socialism which was either successful, or historically impossible, or doomed to failure.
- The period 1929-68, in which – in the wake of the Stalinist transformation – it was generally recognized that a new type of society had emerged in the Soviet Union. Three main variants were offered in these years: (i) the theory of state capitalism and (ii) the theory of the degenerated workers' state, both of which still adhered rather closely to the unilinear schema, as well as (iii) the theory of bureaucratic collectivism, according to which the bureaucracy operated as a new ruling class. That aside, cautious attempts at a fourth approach ('theories without label') emerged in the beginning of the 1940s (Pedrosa, Hilferding) and especially in West Germany in the early 1950s, but these remained relatively isolated, and were forgotten again.
- The period 1968-85, during which the debate strongly revived, the fourth approach gained much more prominence, and the three old approaches tended to stagnate.
- The period after 1985, in which the intensity of the debate was reduced and especially the number of new theories of (state) capitalism proliferated.

A posteriori, the first phase (1917-29) appears as no more than a transitional period of orientation, because the terms for all the later debates were fixed in the 1930s, at which time people like Weil, Trotsky, Worrall and others formulated the main perspectives which negatively or positively dominated the discussion.

Table 7.2: Some critics of the Soviet Union

	Capitalism	Bureaucratic collectivism	Degenerated workers' state	Other
1917-28	Gorter Pannekoek Rühle Korsch			Kautsky Luxemburg
1929-41	Miasnikov Adler Wagner Worrall Pollock	Laurat Weil Rizzi Burnham Shachtman Pedrosa	Trotsky	Hilferding
1941-56	Grandizo/Péret James/Dunayev skaya Castoriadis/Lef ort Cliff Bordiga	Guttman	Mandel	Sternberg Cycon Frölich Kofler
1956-68		Djilas Kuro□/Modzele wski		Wittfogel Rosdolsky Boeue Marcuse
1968-85	Mattick Holmberg Bettelheim Di Leo	Stojanovi□ Carlo Melotti Fantham/Macho ver Sweezy		Dutschke Zimin Bahro Schmiederer Ticktin Konrád/Szelény i Féher <i>et al.</i> Campeanu
1985-2005	Daum Sapir Chattopadhyay Fernandez <i>Aufheben</i> Resnick/Wolff Sandemose	Brenner Finger	Main/Heath	Füredi Cox Behrens

I would like to defend the thesis, that all “classical” variants conflict in essential respects with Marx’s own theory, and in addition occasionally run counter to the facts or violate logical principles.

To begin with, let us examine the theories of *(state-) capitalism*. If we disregard for a moment the fact that these theories identified different dates for the establishment of a capitalist formation in the Soviet Union,¹ then what is most striking in the first instance is how much they *differed* in their interpretations about the real essence of (state-) capitalism. Schematically, we could distinguish between four different perspectives:

- Most theoreticians emphasized that capitalism is predicated on the existence of a working class which does not rule society. For some, that characteristic was really already sufficient in itself to define a society as capitalist (James, Mattick, Di Leo), but some others added other criteria. Thus, Worrall mentioned as a second condition the production of surplus-value, and Holmberg the fact that means of production were applied for the purpose of exploiting the wage workers.
- Bordiga, Bettelheim, Chattopadhyay *et al.* emphasized the separation between individual enterprises, who attempt to realize ‘profit’ and exchange goods among themselves via ‘market contracts’. Bordiga considered this a sufficient condition to speak of capitalism; Bettelheim added the separation between wage-labour and capital.
- Grandizo spoke of capitalism when wages were minimized, and surplus-value was used for investment and unproductive consumption.
- Finally, Cliff saw the essence of capitalist society in the competition between capitals motivated by profit maximization.

Grandizo’s description is undoubtedly farthest removed from Marx’s. After all, talk of surplus-value already implies the existence of capitalism, and thus a *petitio principii* is involved. Definitions based on wage-labour then make an orthodox impression; Marx himself had written in *Capital* that

1 As dates are mentioned: 1929 (Cliff, James *et al.*), 1936 (Daum), and 1956 (the early Bettelheim *et al.*). The theoreticians who used the term capitalism instead of state capitalism (Rühle, Gorter, Pannekoek, the later Bettelheim, Chattopadhyay, Resnick/Wolff) tended to wards treating 1917 as starting point.

The capitalist epoch is therefore characterised by the fact that labour-power, in the eyes of the worker himself, takes on the form of a commodity which is his property; his labour consequently takes on the form of wage-labour.²

If however one reduces Marx's conception to such a passage, he is done an injustice. Capitalism for him was after all a complex and dynamic system, in which wage-labour was only one important aspect. Thus, Marx also mentioned 'commodity production and commodity circulation' as 'general prerequisites of the capitalist mode of production'.³ Essential in his opinion was especially the *generalization* of commodity production (labour-power and labour products) by capitals, in a market ruled by competition.

According to Marx, competition therefore constituted another *essential* characteristic of capitalism. Thus he referred in *Capital* to 'the basic law of competition, which political economy has so far failed to grasp, the law that governs the general rate of profit and the so-called prices of production determined by it'⁴ and in the *Grundrisse*, he wrote:

Free competition is the real development of capital. By its means, what corresponds to the nature of capital is posited as external necessity for the individual capital; what corresponds to the concept of capital, is posited as the external necessity for the mode of production founded on capital. The reciprocal compulsion which the capitals within it exert on each other, on labour etc. (the competition among workers is only another form of the competition among capitals) is the *free*, at the same time the *real* development of wealth as capital.⁵

So capitalism in Marx's view constituted a unity of several 'moments', of which wage-labour was only one. If this fact is accepted, then the mentioned authors fail to prove the existence of business competition in the Soviet Union in the Marxian sense, i.e. arising in some or other way out of the immanent logic of the system, and thereby fail to prove the existence of a Soviet state-capitalism. If some supporters of the 'state capitalist' interpretation by contrast treat wage-labour either as the most important, or as the only condition for the definition of capitalism, this is possibly due their limited knowledge of Marx's political-economic writings. Wage-labour is, after all, discussed in the *first* volume of *Capital*, while competition is dealt with more extensively only in the *third* volume.

A second problem is raised by the question of whether, within the assumed Soviet state-capitalism, a ruling class existed. Some authors did not express a definite view in this regard, and denied only the existence of private capitalists, but a remarkable number of authors explicitly denied that Russian capitalism was ruled by a *bourgeoisie*. Thus according to Wagner, Pollock and Bordiga such a class is completely absent, Worrall claims that the bureaucracy exercises the function of a bourgeoisie which is lacking, and Grandizo and Péret refer to an 'immature' bourgeoisie. All of this again runs counter to Marxian orthodoxy. In his *Grundrisse*, Marx stated among other things that

2 Marx 1976, p. 274.

3 Ibid., p. 473.

4 Marx 1981, pp. 127-8.

5 Marx 1973, pp. 650-1.

The production of capital and wage labourers is thus a chief product of capital's valorization process. [...] It is posited in the concept of capital, that the objective conditions of labour – and these are its own product – take on a *personality* towards it, or, what is the same, that they are posited as the property of a personality alien to the worker. The concept of capital contains the capitalist.⁶

Marx thus clearly assumed that a capitalist class is a *conditio sine qua non* for capitalism.

In fact, only two representatives of the state capitalism theory took an approach compatible with an orthodox definition of capitalism: Cliff and Bettelheim. Both assumed the existence of a bourgeoisie in the Soviet Union, and both believed that competition existed. Bettelheim believed this competition existed in the domestic economy, while Cliff believed he could identify it at the international level.

Cliff's approach forces him to reduce competition essentially to the arms race: a competition over military capacity. That, however, is still in conflict with orthodoxy. The arms race after all did not involve mainly commodities produced for an open market, and therefore cannot be considered as trade based on capitalist competition. In the Marxian view, each capital seeks to realize the value of the commodities produced by selling them through commercial trade, and that is not possible by just displaying them (or destroying them).⁷ The argument adduced here notably by Callinicos (1995, p. 137) that 'state direction of the economy was a pervasive feature of Western capitalism in the first half of the twentieth century' is not convincing; the point is that in the West (including the extreme case of Nazi Germany) competition between capitals continued within the domestic economy. Bettelheim's approach by contrast based its orthodoxy on the denial of reality. His thesis, as Sweezy rightly observed, is contrary to the facts, because Soviet enterprises were unable to determine prices, wages, suppliers and recipients by themselves.⁸

Ultimately, we are forced to the conclusion that not a single theory of state capitalism succeeded in being both orthodox-Marxist as well as consistent with the facts.

The second main theoretical variant was the theory of the *degenerated workers' state*. Trotsky characterized the Soviet bureaucracy as a parasitic social stratum, which, from the sphere of distribution, had *temporarily* seized political power within the workers' state. From an orthodox Marxist perspective, there are again several essential problems involved here.

Firstly, there is the question of the *temporary nature* of the bureaucratic phenomenon. Trotsky's thought in this respect showed a clear logic: the Russian working class, with the victory of 1917 still fresh in its memory, would sweep aside the elitarian outgrowth which

6 Ibid., p. 512. See also the *Theories of Surplus Value*: 'The *capitalist*, as capitalist, is simply the personification of capital, that creation of labour endowed with its own will and personality which stands in opposition to labour. [...] if one eliminates the capitalists, the means of production cease to be *capital*.' (Marx 1972, p. 296).

7 'Even though the excess value of the commodity over its cost-price arises in the immediate process of production, it is only in the circulation process that it is realized'; 'Whatever the surplus-value capital has pumped out in the immediate production process and expressed in commodities, the value and surplus-value contained in these commodities must first be realized in the circulation process' (Marx 1981, pp. 134 and 966).

8 See section 6.1.

tried to rob the fruits of its revolutionary efforts. If by any chance that did not happen then, after some time, the old revolutionary self-confidence would ebb away, and the elite would acquire the possibility of transforming itself into a new ruling class. One can obviously question whether, within the Soviet working class of the 1930s, the 'lessons of the revolutionary struggles and the conclusions of Bolshevik strategy' were still very much alive, as Trotsky claimed.⁹ But if that had been the case, then one could have regarded Trotsky's thesis as consistent with Marxist orthodoxy. After all, in Marx himself we encounter similar ideas.¹⁰ Problems however arise when Trotsky's intellectual heirs write, even in recent times, that: 'In the scales of history, the question remains as Trotsky posed it in 1939. But the 'time frame' was erroneous.'¹¹ The force of Trotsky's argument is thereby undone, because the specific (and Marxian) considerations which originally brought the author of *The Revolution Betrayed* to his thesis are now tacitly eliminated, and replaced by an abstract generality ('the scales of history').

A second difficulty inheres in the distinction which the theory of the degenerated workers' state makes between the sphere of production and the sphere of distribution. This distinction conflicts with Marx, who always emphasized that *both* should be considered as part of a cohesive totality:

In the shallowest conception, distribution appears as the distribution of products, and hence as further removed from and quasi-independent of production. But before distribution can be the distribution of products, it is: (1) the distribution of the instruments of production, and (2), which is a further specification of the same relation, the distribution of the members of the society among the different kinds of production. [...] To examine production while disregarding this internal distribution within it is obviously an empty abstraction; while conversely, the distribution of products follows by itself from this distribution which forms an original moment of production.¹²

A third problem is posed by the fact that Trotsky only ascribed a distributive and parasitic function to the bureaucracy, and thereby denied that it could have roots in the productive sphere. From an orthodox standpoint, this idea is impossible to sustain. The Soviet bureaucracy after all led the enterprises, and hence also the production processes. In *Capital*, Marx wrote about such coordinating work:

The work of supervision and management necessarily arises everywhere when the direct production process takes the form of a socially combined process, and does not appear simply as the isolated labour of separate producers. It has, however, a dual nature.

9 Trotsky 1931, p. 11; English translation, p. 224.

10 Rubel 1960.

11 Mandel 1980, p. 62.

12 Marx 1973, p. 96. Actually this deviation from Marxian orthodoxy was not exclusive to Trotsky. It has been noted by other authors that the concept of the autonomization of the sphere of distribution was present among many theoreticians educated in the Second International. See for example the critical analysis of Hilferding's *Das Finanzkapital* (1910) in Stephan 1974.

On the one hand, in all labour where many individuals cooperate, the interconnection and unity of the process is necessarily represented in a governing will, and in functions that concern not the detailed work but rather the workplace and its activity as a whole, as with the conductor of an orchestra. *This is productive labour that has to be performed in any combined mode of production.*

On the other hand [...] this work of supervision necessarily arises in all modes of production that are based on opposition between the worker as direct producer and the proprietor of the means of production. The greater this opposition, the greater the role that this work of supervision plays.¹³

This dual character of the leadership function obviously also applied to Soviet enterprise management, which, on the one side, tried to organize production, and on the other side simultaneously embodied the oppression of the workers. But clearly the corollary must be that at least an important part of the Soviet bureaucracy was not exclusively parasitic, but also performed *productive* labour in the Marxian sense.

A final problem concerns not so much a matter of orthodoxy, but of logic. It inheres in the separation between the political and economic spheres. This separation was logical and theoretically consistent, since the working class was viewed as being economically the ruling class, but politically powerless. Be that as it may, the peculiar thing is that, precisely in a planned economy, political and economic power *cannot* be so separated. Whoever formulated and supervised the implementation of the plan, and thus possessed political power, obviously also ruled the economy.

If we combine these objections, it appears that the theory of the degenerated workers' state is in part unorthodox, and in part illogical.

The third variant is the collection of theories of *bureaucratic collectivism* (a new type of society with a ruling class). Seen from the perspective of Marxian orthodoxy, this current is also confronted with three essential objections.

The first and most important difficulty is obviously that the theory *as a whole* does not fit in a Marxian framework. It probably does not need to be argued again that Marx conceived of only one possible type of post-capitalist society: a communist or socialist one. The idea that, after capitalism, there could be another additional and complete historical stage (Weil, Rizzi, and Burnham) was completely alien to him. Likewise, the thesis that underdeveloped ('half-feudal' or 'half-Asiatic') countries could experience a pattern of development different from a capitalist one, does not fit in his approach: 'The country that is more developed industrially only shows, to the less developed, the image of its own future.'¹⁴

Secondly, the protagonists of this current – leaving aside the various different dates given for the beginning of the new society¹⁵ – offered mutually contradictory interpretations

13 Marx 1981, p. 507 (translation corrected and emphasis added – MvdL).

14 Marx, 'Preface to the First Edition', in Marx 1976, p. 91. Marx mentioned an important exception to this thesis: the *obshchina*, which under particular conditions might enable Russia to skip over the intermediate capitalist stage. But also in this case, Marx obviously did not envisage a transition to a new type of class society in the sense of Carlo, Melotti, or Fantham/Machover, but a direct transition to socialism.

15 Two interpretations were advanced: *1917-21* (Burnham, Sweezy and others) and *1929* (Shachtman and others).

of the foundation of the rule of the bureaucratic class. Some, like Weil and Burnham, considered that bureaucratic power was *economically* based. Others, like Djilas and Stojanović, thought that the basis of power should be sought in the *political* sphere. The first-mentioned interpretation is contrary to the facts: the elite came to power by a political route. Its power grew out of its domination of the state apparatus (which in its turn ruled the enterprises) and not from the direct rule of the enterprises themselves. This was true both in a collective and in an individual sense. The last-mentioned interpretation breaks with Marx – and its defenders are usually also aware of this. After all, Marx deduced political power from economic power:

The specific economic form, in which unpaid surplus-labour is pumped out of direct producers, determines the relationship of rulers and ruled, as it grows directly out of production itself and, in turn, reacts upon it as a determining element. Upon this, however, is founded the entire formation of the economic community which grows up out of the production relations themselves, thereby simultaneously its specific political form. It is always the direct relationship of the owners of the conditions of production to the direct producers – a relation always naturally corresponding to a definite stage in the development of the methods of labour and thereby its social productivity – which reveals the innermost secret, the hidden basis of the entire social structure and with it the political form of the relation of sovereignty and dependence, in short, the corresponding specific form of the state.¹⁶

A third problem is that, if the theoreticians of bureaucratic collectivism were correct, a ruling class emerged which did not exist as a class before it came to power. In all relevant writings by Marx, it was assumed that *first* antagonistic classes emerge from the relations of production, that these classes *then* acquire political consciousness and carry on a struggle with each other on a broad scale, and that finally, after a fundamental social transformation, a previous subaltern class is established as the new ruling class. Prior to coming to power, the bureaucratic ‘class’ however comprised at most parts of the intelligentsia and the ‘labour aristocracy’, and could hardly be said to form a class fighting against the Soviet working class.

The theory of the ‘new ruling class’ therefore cannot pretend consistency with Marxian orthodoxy anymore than both of the other main variants.

In this light, it becomes perfectly clear that Soviet society can hardly be explained in orthodox Marxian terms at all. If it is accepted that the USSR was not communist in a Marxian sense, the analysis becomes almost impossible: which categories should one use to analyze a society in which oppression and exploitation exist, but in which no ruling class in the strict sense (whether working class, bourgeoisie or collective bureaucracy) can be identified? In which, as a consequence, no logical social and economic dynamic can be recognized?

The emergence of a ‘fourth current’ is, against this background, quite understandable – even although the rapid spread and elaboration of theories ‘without label’ after 1968 was probably not the result of a systematic analysis of the strengths and weaknesses of the old theories. Noticeable in any case is that the new approaches borrow elements from Marxism where necessary, without any longer striving for complete orthodoxy. In that sense, too, a break occurred with Marx.

16 Marx 1981, p. 927.

This conclusion does not imply that the old theories are of no use whatever in further theoretical developments. Nor do I wish to argue that they lack any practical political utility as a meaningful orienting device. In the theories discussed, sub-theoretical themes or *topoi* recur, not limited to one perspective. I can identify eleven of these:

1. The Bolshevik and later the Stalinist regime constituted a *modernization dictatorship*: given the underdevelopment of the socio-economic relations in 1917, it was inevitable that in the first instance forced industrialization and accumulation occurred. It required social compulsion, and led to a dictatorial regime. We encounter this *topos* among others in the writings of Adler, Kofler, Rosdolsky, Kuron and Modzelewski, Marcuse, Mattick, Carlo, Melotti, Fantham and Machover, Schmiederer and Campeanu.
2. The Soviet Union showed an *analogy with the Asiatic mode of production*: Stalinism was not a variant of ‘Eastern despotism’, but did resemble it strongly in some respects. Analysis of classical Chinese society, for example, has minimal heuristic value in studying Soviet society. This *topos* is found among others in the writings of Sternberg, Frölich, Zimin, Konrád/Szelényi and Mandel. Closely related to this theme is the idea of Gorter, Pannekoek, Wagner, Wittfogel and others, that Russia and the Soviet Union traditionally belonged to a completely *different* economic, political and cultural sphere than ‘the West’.
3. Soviet society was a ‘*bastard*’ formation, an ‘illegitimate’ phenomenon, a cul-de-sac along the high road of human history. Representatives of this *topos* are Kautsky, Zimin, Ticktin and Füredi, and one could quite possibly also include Laurat and Schachtman.
4. Bolshevism and/or Stalinism were historically limited, *temporary phenomena*: within a matter of years, it had to make way for another, more durable formation. This *topos* – close to third one just mentioned, but not identical to it – is found in the writings of Kautsky, Trotsky, and Pedrosa.¹⁷
5. Soviet society embodied a transitional stage between class society and a classless society, and therefore showed *parallels with the transitional stage towards a classless society*. This *topos* was articulated by Rizzi, Zimin and Bahro.
6. Stalinism and fascism or national socialism were two variants of the same form of society. This *topos* – which is obviously also known in theories of totalitarianism – is found among defenders of the theory of state capitalism (Rühle, Pollock) and among defenders of the theory of a new mode of production (Lurat, Weil, Rizzi, Burnham).¹⁸
7. In the Soviet Union, there was a *subordination of the economy to politics*, or put differently, a *completely autonomized state*. Representatives of this *topos* are Hilferding and Pedrosa, Damus and Schmiederer *et al.*
8. The power of the ruling elite was based on the *separation of intellectual and manual labour* (knowledge as the basis of domination). We encounter this *topos* in theories of the managerial class (Weil, Burnham) but also in the writings of Cycon, Eggert, the SZ Tübingen, Eichwede and Kaiser, as well as Konrád and Szelényi. A somewhat deviant variant (the elite as a sector of the leading workers) is defended by Bahro.

¹⁷ The opposite – Stalinism as a long-lasting phenomenon – was really only defended in the 1950s by the theoretically less interesting Trotskyist Michel Raptis.

¹⁸ Trotsky referred to many ‘superstructural’ similarities between fascism and Stalinism, but emphasized at the same time the difference in the economic base of both regimes (capitalist versus workers’ state). See for example Trotsky 1940a.

9. Workers in the Soviet Union were not ‘free wage workers’ in the Marxian sense: because they could ultimately only supply their labour-power to one employer and additionally had the obligation to work, an important element of the Marxian ‘freedom’ disappeared, namely the freedom of choice ‘between different exploiters’. This *topos* is found in the writings of Rizzi, Burnham, Guttman, Mohun and Brenner.
10. The longer the Soviet Union existed, the stronger is the growth of inefficiency, or, as some authors put it, a contradiction developed between productive forces and relations of production. This *topos* emerged in the 1970s (Carlo, Ticktin, Conert, Fehér *et al.*).¹⁹
11. The dynamic of the Soviet Union was shaped by its competition with the West; even in peacetime; Soviet society could be characterized as a *war economy* (Cliff, Sapir).

Some of these themes could perhaps be building blocks for a ‘post-Marxian’ analysis. But even if that is not the case, we can use the collapse of the Soviet Union to test the various theories formulated before that collapse. The historian E.P. Thompson already noted in the late 1970s that the different hypotheses about the dynamics and class character of the Soviet Union could only be definitively proved or falsified through ‘the *praxis* of eventuation.’ However, he warned:

The result, when brought within the scrutiny of future historians, may appear to confirm one hypothesis, or may propose a new hypothesis altogether. Any such ‘confirmation’, if it should arise, can never be more than approximate: history is not rule-governed, and it knows no sufficient causes: and if future historians suppose otherwise they would be falling into the error of *posthoc ergo propter hoc*.²⁰

19 The theme of inefficiency as such was naturally raised already much earlier by among others Trotsky, Guttman en Mandel.

20 Thompson 1978, p. 49.