

Soviet Stalinism In Extremis

During his first five years as head of the Soviet regime, Mikhail Gorbachev's "accomplishments" went beyond imperialism's wildest dreams. He drastically curtailed aid to third-world allies and national liberation movements. He withdrew Soviet troops from Afghanistan and pulled the plug on the Kremlin's Warsaw Pact client states. The resulting collapse of Stalinism in Eastern Europe allowed the capitalist powers to proclaim victory in the cold war and the "death of communism." On the home front, Gorbachev abandoned the Communist Party's jealously guarded monopoly on political expression, loosened central controls over the economy and gave unprecedented scope to private enterprise and foreign investment. Brezhnevite holdovers were pushed out of high positions, as the Soviet leader surrounded himself with a team that seemed willing to carry perestroika to its logical conclusion: the full-fledged restoration of capitalism and the integration of the Soviet Union into the system of imperialist states. Gorbachev soon won a warm place in the hearts of George Bush, Margaret Thatcher and capitalist rulers the world over, as well as "Western Civilization's" supreme token of affection, the Nobel Peace Prize.

But lately the bourgeois politicians and ideologues are worrying that their highest accolade may have been prematurely bestowed. Last October, when the Soviet leader backpeddled on an agreement with the Russian Republic's President, Boris Yeltsin, to dismantle state planning and introduce a full-scale market economy in 500 days, the imperialist leaders were not pleased. Gorbachev is still talking about marketization, but now he projects a more cautious pace. Western doubts about Gorbachev multiplied with the surprise resignation of his Foreign Minister and chief lieutenant, Eduard Shevardnadze, at the Fourth Congress of People's Deputies on December 20. "Comrade democrats...", he exclaimed, "you have scattered. The reformers have gone to ground. Dictatorship is coming" (*Economist*, 19 January).

Shevardnadze's warning was given credence during the Congress when Vladimir Kryuchkov, head of the KGB, indignantly accused Western capitalists in the USSR of conducting espionage and trying to wreck the economy. For vice president, Gorbachev chose Gennadi Yanayev, by all accounts an obedient tool of the party apparatus. The liberal Minister of the Interior, Vadim Bakatin, was replaced by Boris Pugo, former Latvian KGB chief. By the end of December, most of the original architects of perestroika, including Stanislav Shatalin and Nikolai Petrakov, authors of the discarded 500-day plan, had vanished from Gorbachev's inner circle. At this point the apprehensions of Western Kremlinologists hardened into a conviction that the Soviet Union's course toward the "free market" was in deep water.

Gorbachev Changing Course?

The personnel changes at the Congress set the scene for a crackdown on the secessionist governments of the

Baltic states during the following month. With the eyes of the world riveted on the Persian Gulf, the Kremlin dispatched paratroopers to the Baltics in order to round up draft dodgers. On 13 January Soviet troops stormed and seized the main communications center in the Lithuanian capital of Vilnius, killing 15 of the nationalist crowd resisting the assault. Moscow declared that Lithuania would henceforth be ruled by a "Committee of National Salvation," based on Kremlin-loyal elements of the local Communist Party. Five more people were killed a week later in a similar incident in Riga, Latvia, where another "National Salvation Committee" was set up. These committees have so far refrained from attempts to dislodge the separatist governments in either republic, but the shootings underscore the willingness of the Kremlin to maintain the status quo by force if necessary.

Gorbachev apparently hopes that a combination of military muscle and a new Treaty of Union for the USSR's 15 constituent republics can contain the nationalist upsurge. On 17 March the Kremlin held a USSR-wide referendum in which 77 percent voted in favor of preserving the union. The results, however, were inconclusive, as six republics boycotted the vote entirely while others passed local initiatives contrary to the spirit of the plebiscite. Besides, the fact that the majority of Soviet voters favor the status quo is a matter of indifference to those peoples intent on separation.

Moscow has also taken aim at the despised "cooperative" entrepreneurs (i.e., private businessmen) and black market speculators who have flourished under perestroika. The KGB has been granted new powers to enter the premises of private businesses and confiscate records. Joint police-military patrols have been deployed in the streets of 86 of the Soviet Union's larger cities to crack down on economic and street crime. Artyom Tarasov, member of the Russian Parliament, advisor to Boris Yeltsin and leading perestroika profiteer, was an early target of this campaign. In February the KGB broke into the Moscow offices of Tarasov's multi-million dollar foreign-trading firm and seized documents and equipment. The Ministry of the Interior branded Tarasov a black-market extortionist. This clampdown on "free enterprise" has not escaped the notice of foreign capitalist investors, who are already scaling back their plans.

The growing influence of the "hardliners" is also evident, if less pronounced, in foreign policy. No sooner had Shevardnadze vacated the Foreign Ministry than the Kremlin began to express concern about Bush's carpet bombing of Iraq. When Moscow's last-minute effort to broker an Iraqi withdrawal from Kuwait was spurned by Washington, Gorbachev swallowed his pride, but with the understanding that Bush's reaction to the Baltic events not go beyond the obligatory verbal condemnation. U.S.-Soviet negotiations on the START treaty for the reduction of conventional forces in Europe have recently bogged down over final details, and the Soviet

military is campaigning against giving in to Japanese demands for the return of the Kurile Islands, which the USSR occupied after World War II. Gorbachev has staked far too much on cooperation with the West to let the corpses of 100,000 victims of U.S. terror bombing 700 miles from the Soviet border ruin the relationship. Yet rumblings of discontent with his line of least resistance are audible nonetheless, as the Washington-friendly faces that previously dominated the Soviet leader's entourage yield place to grim-visaged party stalwarts and men in military tunics.

Yeltsin: Gorbachev's Nemesis

Gorbachev's retreat from perestroika has sent many of his estranged "democratic" supporters scurrying to the camp of his best-known critic and principal antagonist, Boris Yeltsin. From his newly-acquired platform as President of the Russian Republic, this apparatchik-turned-demagogue is lashing out against his former boss in a series of increasingly audacious thrusts. His intentions of replacing Gorbachev are barely concealed. Yeltsin presents himself as the champion of affluent technocrats and poverty-stricken pensioners, of newly-prosperous "co-operative" hucksters and striking Donbass miners, of Baltic secessionists and Great Russian chauvinists, of those who venerate "free enterprise" and those who fear its consequences—in short, for all who oppose the continued rule of the Stalinist bureaucracy. The only common thread in Yeltsin's politics is his claim that the problems of Soviet society can be solved with "democracy" and the "free market," and that these panaceas can only be applied by a single individual: Yeltsin.

To every move by Gorbachev to strengthen his own authority and that of the central apparatus, Yeltsin has responded with an equally daring countermove. Immediately after the Congress of People's Deputies approved Gorbachev's personnel changes, the Parliament of the Russian Republic, which Yeltsin heads, voted to cut the republic's contributions to the Soviet state budget by 90 percent, a reduction that would have brought the economy to a standstill. Yeltsin eventually suspended this threat, but it served as a reminder of the immense power wielded by the republic that contains over half the USSR's population and the bulk of its industrial capacity and natural resources. A week after the confrontation in Lithuania, Yeltsin went on live television to denounce Gorbachev's "anti-people policy," call for his resignation and demand that Kremlin power be turned over to the new Federation Council, composed of representatives of the republics. Yeltsin answered Gorbachev's unity referendum by attaching to the ballot a local initiative that called for the direct popular election of the Russian Republic's President. The initiative passed overwhelmingly. Yeltsin currently owes his office to the Russian Parliament, which elected him by a narrow majority. A direct popular mandate would greatly strengthen his hand.

Yeltsin has taken his anti-Gorbachev crusade to the streets of Moscow. On several occasions in recent months, huge crowds have assembled at the doorstep of the Kremlin to demand that the Soviet President step

down. On 28 March, over 100,000 supporters of the opposition umbrella group, Democratic Russia, defied a government ban and demonstrated their support for Yeltsin. In what could be the most crucial development of all, a key section of the Soviet working class has thrown its weight on to the scales. Three hundred thousand miners in Siberia and the Ukraine downed tools. Unlike an earlier strike in 1989, in which economic demands predominated, the miners are concentrating this time on a single, political objective: the removal of Gorbachev, his parliament and his government.

Two Tracks to Counterrevolution

The unfolding Soviet crisis has provoked a debate among bourgeois politicians and Sovietologists. Has Gorbachev outlived his usefulness to imperialism? Should the U.S. and other capitalist governments cast their lot with Yeltsin and the Baltic secessionists? Or would such a move be premature? These are the questions that now perplex the custodians of the New World Order.

In the wake of the January crackdown in the Baltics, U.S. politicians unleashed a barrage of cold-war rhetoric. They were furious that Gorbachev had seized a few buildings within his own borders and left 20 dead at the very time when the world was distracted by the Pentagon's mass bombing of hundreds of thousands of Iraqis. "Gorbachev has shown he is no longer to be trusted," fumed one member of the House of Representatives, who suggested that Gorbachev be stripped of his Nobel Peace Prize and that Bush "hold [his] feet to the fire" (*New York Times*, 18 January). A somewhat cooler statement of the same view appeared three days later in a piece entitled "Put Moscow in a Deep Freeze," by Utah's Republican senator, Orrin Hatch:

"After the Soviet use of force in Lithuania and...Latvia, the U.S. should call off the planned summit meeting, and should terminate the \$1 billion in agricultural credits and cancel the planned waiver of the Jackson-Vanik restrictions on most-favored-nation trade status. Mr. Bush should also foster direct ties with Soviet republics that hold genuinely free elections and adopt far-reaching market reforms"

At the other end of the spectrum from those who would chastise Gorbachev with fire and ice is Stephen F. Cohen, dean of liberal Kremlinologists in America:

"[Gorbachev] has undertaken the most ambitious changes in modern history. Their goal is to "dismantle" the state controls Stalin imposed and to achieve an "emancipation of society" through privatization, democratization, and federalization of the 15 republics. Such proposals were bound to face old traditions, social obstacles and political opposition. They could not have unfolded quickly or smoothly. Even if successful, they will need decades to sink roots, with traumatic setbacks along the way.

"[Gorbachev] has entered history as a great reformer and, if Eastern Europe is included, liberator. If reform is to succeed, another and different kind of leader eventually will be needed. But for now there is no persuasive evidence that one has approached center stage or that his time has come."

—*New York Times*, 11 March

Harvard University's Richard Pipes, who served on Reagan's National Security Council and has just published a pseudo-scholarly book denouncing the October Revolution as a "coup," advocates a middle course:

"Washington cannot continue to act on the premise that the U.S.S.R. alone is a legitimate partner. Whether we like it or not, the power of its central government has already eroded to such an extent that the loci of effective sovereignty are located below the all-union level. This reality calls for a two-track policy: contacts with the Soviet central government on issues that, as of now, it alone is qualified to handle, such as arms agreements, supplemented by direct communication with the republican authorities."

—*Foreign Affairs*, Vol. 70, No. 1

The policy of the Bush administration seems to be evolving along the lines suggested by Pipes. While Bush stopped short of extending direct diplomatic recognition to the Baltic states, he did postpone a planned February summit meeting with Gorbachev on the pretext that he was preoccupied with Iraq. The U.S. has not cancelled its billion-dollar food-aid package to the Soviet Union, but has recently delivered a portion of the money directly to the Baltic governments. In a mid-March visit to Moscow, the U.S. Secretary of State, James Baker, balanced words of praise for Gorbachev with a series of bold overtures to the opposition. Baker met separately in Moscow with representatives of the Baltics, and paid Shevardnadze a personal visit. A private meeting with Yeltsin did not take place only because Yeltsin declined Baker's invitation and sent a representative instead. When queried by reporters Baker announced: "We are going to be encouraging [the leaders of the republics] to have contacts at the state and local levels with officials in the United States."

The forces gathered around Yeltsin are still too weak and diffuse, and the party and government apparatus too formidable, for Washington to scuttle its relationship with Gorbachev. Yet, as the *New York Times*' Leslie Gelb observed on 13 March:

"Until last Sunday [the date of one of the largest anti-Gorbachev demonstrations], the idea of revolution seemed remote to most Administration experts. Then with upwards of a half-million Muscovites swamping the streets and calling for Mr. Gorbachev's resignation, the alarms went off. Soviet experts in the Administration began thinking about the 'R' word."

Things Fall Apart, The Center Does Not Hold

The immediate causes of the polarization in Soviet politics are clear enough. From the beginning, Gorbachev's "reform" program was resisted by elements of the party, state and military bureaucracy. To counter their influence, he opened up the channels of popular expression and created a plethora of electoral institutions, the Congress of People's Deputies foremost among them. While many in the bureaucracy saw this democratization as a threat to their power, the reforms were a response to a very real impasse in the economy and society (see "Perestroika: A Pandora's Box," 1917 No. 6). As long as Gorbachev commanded popular support, his foes in the apparatus were willing to bide their time. Now the

verdict is in. Five years of perestroika have brought economic ruin, national disintegration, paralysis of the central authorities and the eclipse of the USSR as a world power.

Perestroika was initiated to arrest a decline in the Soviet economy's growth rate. Instead, it has resulted in an *absolute drop* in production. Soviet GNP declined by 3 percent last year, and is expected to go down another 11 percent in 1991; industrial production is projected to fall more than 15 percent this year, and agricultural output by 5 percent. Even in those few areas where production has held steady or improved, the breakdown of the distribution system has prevented products from reaching consumers. Last year the Soviet Union had a record harvest, but only 58 percent of the produce found its way to state shops. The rest rotted in transportation and storage, or was diverted onto the black market where it was priced beyond the reach of most Soviet citizens. This sent Gorbachev to the West begging for emergency food aid. Although the European Community and the U.S. agreed to chip in \$1 billion each, there is no guarantee that foodstuffs purchased with this money will not also disappear before they get to store shelves.

The catastrophe engulfing the Soviet Union today is not only the result of problems inherited from the past; it is also the direct consequence of perestroika. Under Brezhnev the economy stagnated but did not contract. Why, with the Soviet industrial plant, farms and workforce still intact, can the economy no longer deliver the goods?

The answer must be sought in the political sphere. The Soviet Union is fundamentally different from capitalist countries, where the economy functions independently of the state and is governed by its own laws of motion. Because the Soviet economy is state-owned, it operates on directives issued by the central authorities. A properly functioning planned economy depends, above all, on the willing participation of those who carry out the instructions, and on their ability to control and correct the plan. In Leon Trotsky's classic study of the contradictions of the USSR under Stalin, he observed:

"But the farther you go, the more the economy runs into the problem of quality, which slips out of the hands of a bureaucracy like a shadow. The Soviet products are as though branded with the gray label of indifference. Under a nationalized economy, *quality* demands a democracy of producers and consumers, freedom of criticism and initiative—conditions incompatible with a totalitarian regime of fear, lies and flattery.

"...Soviet democracy is not the demand of an abstract policy, still less an abstract moral. It has become a life-and-death need of the country."

—*The Revolution Betrayed*

The stagnation of the later Brezhnev years was a product of six decades in which political life was monopolized by the Stalinist ruling caste. Under Brezhnev the corruption, cynicism and indifference of the Kremlin elite, as well as the local bureaucrats and plant managers under them, reached new heights. They neither believed in a socialist future nor feared Stalin's gulags, and car-

ried out their instructions in a reluctant and half-hearted way.

Perestroika Disorganizes Soviet Economy

Gorbachev's perestroika reforms have weakened the center to the point where it is hardly obeyed at all on the local level, and the chronic ailments of Soviet society have become acute. Despite the expansion of the role of private speculators and merchants in recent years, the state remains in control of the main economic levers. The central planning agency, Gosplan, still issues production targets, and Gosbank continues to draw up the budgets of the biggest industrial and agricultural combines. But, in an effort to shake up the local bureaucracies, the Soviet Parliament, at Gorbachev's behest, passed a series of measures granting sweeping powers to authorities at municipal, regional and republic levels. A law passed in April of 1990 gave local councils the right to levy taxes and engage in foreign trade; another law gave them control over local land. But this legislation created more problems than it solved.

How much in taxes and profits are to be retained by the local authorities and how much are to be handed over to Moscow? Do local councils have the right to privatize farms and factories? If so, would newly created private farms still be able to buy tractors and fertilizers from the state at heavily subsidized prices? The legislation left many of these questions unanswered, and only succeeded in blurring the lines of authority between central and local governments.

"Each level wants to keep as much authority and spending power for itself as possible. So, as presidential decrees filter downwards, they are challenged at every level."

—*Economist*, 27 October 1990

In the pre-Gorbachev era, local bureaucrats simply followed orders from the top, if unenthusiastically. Gorbachev's innovations did not give the republic, regional and municipal authorities enough power to exercise their newly acquired autonomy consistently, but did enhance their ability to thwart the directives of the central apparatus.

The paralysis of state planning has led many managers and officials to circumvent official economic channels altogether. Production quotas go unfulfilled, and goods are hoarded, stolen, bartered or sold on the black market, as more and more of the wealth slips out of government hands. The result is a shortage of consumer goods that many describe as worse than at any time in living memory, including the darkest days of World War II. This growing scarcity is primarily responsible for the precipitous decline in Gorbachev's popularity among the Soviet masses over the past two years. On 25 March *Time* magazine reported that:

"A poll published... by the Soviet National Public Opinion Studies Center asked, 'What does the Soviet Union offer its citizens?' The response given by 65% of those interviewed: 'Shortages, waiting in lines and a miserable existence.'"

If economic collapse is one major symptom of the breakdown of central authority, the revolt of the nationalities is another. Most of the USSR's constituent republics and national minorities have taken advantage of the

loosening of Moscow's control to assert themselves against the all-union government, and, in many cases, to pursue longstanding grievances against one another. The most recalcitrant of the insurgent nations are the Baltic states, which have openly declared their complete independence, as well as their desire to restore capitalism and join the West. The Kremlin responded with an economic blockade and, in January, a military intervention. But so far there is no resolution to the impasse: the central government and the Baltics continue to pass decrees and legislation against each other, which both continue to ignore.

The nationalities problem has also led to two other military interventions by Moscow: one to quell communal warfare between Armenians and Azerbaijanis, and another to suppress nationalist riots in the Georgian capital of Tbilisi. Many republics have set up national militias, and the Ukraine has issued its own currency. Thirteen of the 15 republics have declared that their own constitutions take precedence over Soviet laws. As the Russian republic under Yeltsin becomes ever more strident in its defiance of the Kremlin, it is clear that resurgent nationalism presents the Soviet government with more than a dilemma over policy. It poses the question of the survival of the central government itself.

Gorbachev's domestic failures have been compounded by stunning reversals on the world stage. Most of the Soviet high command were, by all reports, resigned to the loss of Afghanistan. The collapse of the Warsaw Pact states and the reunification of Germany, however, were a different matter. The senior officer corps, weaned on memories of the Soviet victory in World War II, regarded the European borders established in the aftermath as sacred. Moreover, Gorbachev has nothing to show for the loss of Eastern Europe. His entire foreign policy was based upon the premise that appeasement of imperialism would usher in a new era of peace, leaving the Soviet Union free to concentrate on internal problems.

The U.S.-led aggression against Iraq proved the opposite: Gorbachev's prostration before the imperialists has only emboldened them. As long as the Soviet leader toed the State Department line, he was fulsomely praised by Washington for his "statesmanship." But as soon as he showed the slightest independence, in a last minute bid to secure Saddam Hussein's withdrawal from Kuwait, he was politely told by Bush to mind his own business. Many at the top correctly perceived the failure of Gorbachev's Iraqi gambit as a profound humiliation, and a symbol of the demise of the USSR as a "superpower."

Hardliners Resist

The chain of disasters brought about by Gorbachev's policies forced his opponents within the party, state and military apparatus onto the offensive. Unlike its former Eastern European satellites, the Soviet bureaucracy is not the artificial creation of a foreign power. It is an enormous social stratum with indigenous roots, whose privileges and prestige are inseparable from the Communist Party's monopoly of state power. Its upper eche-

lons are certainly not yet prepared to go the way of Honecker and Jaruzelski. If the party apparatus is losing its grip on the country as a whole, it still has the power to appoint the top military and KGB officers, and to ensure that they owe their loyalty to the apparatus. These three pillars of the Soviet bureaucracy—the apparatus, the KGB and the military—are acutely conscious of their common interests and, although weakened, remain capable of acting in unison. With their collective life at stake, they began to mobilize within the party and forced Gorbachev to give ground.

Why did Gorbachev, the great “reformer,” retreat in the face of this pressure? One academic commentator, Michael Scammell of Cornell University, suggests that Gorbachev is:

“a true believer in communism. Not the communism of Stalin and Leonid Brezhnev, of course, nor even quite of Nikita S. Khrushchev, but certainly of Lenin.

“Letting the Eastern European countries go was different from allowing any of the states in the original [Soviet] union to secede. Lenin put that union together and Mr. Gorbachev does not wish to go down in history as the man who destroyed Lenin’s legacy.”

—*New York Times*, 25 January

Explanations like this can only jeopardize Cornell’s academic reputation. Nothing in Gorbachev’s career suggests a firm attachment to any principles, let alone the proletarian internationalism of the leader of the October Revolution. His speeches omit even the ceremonial invocation of Lenin’s name, and he recently proposed to drop the word “socialist” from the Union of Soviet Socialist Republics. Events in the USSR are not being guided by the President’s beliefs; his “beliefs” have never been anything more than a makeshift response to events beyond his control. It was out of a deeply ingrained pragmatism that he embraced the “free market” as the answer to the USSR’s economic malaise. It was this same pragmatism that caused him to retreat once it was clear that perestroika had led to what he repeatedly described before December’s session of the Soviet Parliament as “razval:” chaos, breakdown, anarchy.

The Impending Catastrophe...

The Soviet Union stands on the brink of an abyss. Last November Gorbachev himself was beginning to worry aloud about the danger of civil war:

“If we begin to split from each other, there is going to be a war. A terrible war will take place...We cannot divide the army, the nuclear weapons. All this may turn into a catastrophe not just for our country but for the whole world.”

—*Foreign Policy*, Spring 1991

Prior to the December Congress, Gorbachev attempted to counter the paralysis of the central authorities by investing himself with the power to rule by presidential decree. But the fragmentation of the bureaucracy at the local level made his decrees unenforceable. Elements within the party and the population at large, began crying for someone to step in and restore a semblance of order. If the state he headed was to survive, Gorbachev had no choice but to turn to the only remaining institutions with the coherence and the muscle to answer that

cry: the apparat, the army and the secret police.

The polarization of the Soviet bureaucracy poses important political questions for Trotskyists. How do we stand in relation to the contending forces? In the first place, there can be no doubt concerning our attitude toward Boris Yeltsin. Although heterogeneous in composition, his coalition, Democratic Russia, openly advocates capitalist restoration. Some, like the liberal technocrats and Baltic nationalist chiefs, have a material interest in Yeltsin’s victory. Others, particularly the leaders of the striking miners, follow him because he is seen as the only alternative to the powers-that-be. To maintain his working-class support, Yeltsin promises capitalism without astronomical prices, mass unemployment and slashed social benefits. But workers in Poland and the former DDR are already getting a bitter taste of “market magic.”

Anyone who wants capitalism must inevitably dance to the tune of American, German and Japanese capitalists, who will turn the USSR into another Brazil, not another Sweden. And Yeltsin has no qualms about playing to Western bourgeois audiences, who are responding with enthusiastic applause. He is a deadly danger to the Soviet working class.

But what of the Stalinist apparatchiks? Right now many of them are undeniably directing their fire at the Yeltsinite and Baltic restorationists, perestroika millionaires and the conciliators of imperialism: the very forces revolutionaries despise the most. Trotskyists have always held that the Stalinist bureaucracy, in defending its parasitic privileges, also at times defends the proletarian property forms upon which its rule is based. Is this the significance of the latest turn? An answer can only be sketched by examining fundamental Trotskyist premises regarding Stalinism, and measuring them against the present reality.

Trotsky regarded Stalinism as the dictatorship of a privileged stratum that had raised itself above the working class due to the isolation of the Russian Revolution. Under the banner of “socialism in one country” Stalinist rule meant the destruction of workers democracy at home and a futile search for “peaceful coexistence” with imperialism abroad. As a parasite on the workers state, the bureaucracy nonetheless had an objective interest in defending collectivized property against imperialist attack and domestic attempts to reimpose capitalism.

Through repeated betrayals of the struggles of workers abroad, the Kremlin bureaucrats undermined the only force that could preserve the gains of October and open the road to the creation of a socialist society: the international proletariat. The triumph of Stalinism over the Soviet workers paved the way for future defeats. This is why Trotsky remarked, in the 1938 Transitional Program, that:

“the chief political task in the USSR still remains the overthrow of this same Thermidorian bureaucracy. Each day added to its domination helps rot the foundations of the socialist elements of economy and increases the chances for capitalist restoration.”

Yet, for all its betrayals, the Stalinist oligarchy was still capable of defending collectivized property *in the short run*. Since capitalist restoration threatened the so-

cial foundations of the October Revolution, it was the duty of revolutionaries to block militarily with the Stalinists in defense of collectivized property. This poses two questions about the current situation: will the Stalinists act to defend the state-owned economy? And are they *able* to do so, if only for the time being?

To the first question, concerning the intentions of the “hardliners,” no definitive answer seems possible at this point. In all likelihood they have not answered it for themselves. They lashed out to counter a mounting threat to their power, but have not given any clear indication of their long-term objectives, or even that they have any. They are profoundly demoralized, and most of them have lost confidence in the historical viability of socialism of any sort. In light of recent events in Eastern Europe, it is conceivable that they could hand over power to a pro-capitalist government, or even participate in the formation of such a government themselves. Given a choice between earning an honest living and retaining some sort of governmental sinecure, few of them would choose the former. At present there is little reason to think that their differences with the Yeltsinites have anything to do with preserving collectivized property.

Capitalist restoration in the USSR would be best served by a unified national market backed up by a stable currency. These preconditions are unlikely to be attained without a strong central government. Right now the ruble is highly unstable due to chronic government budget deficits. The government has subsidized basic items such as rent and bread by printing money. Since there are few items to spend this money on, much of it has found its way into private savings accounts. This huge “ruble overhang” is resulting in wild inflation as prices are decontrolled.

Retail prices increased 123 percent in the first quarter and then doubled again in early April when the Kremlin hiked the costs of many basic commodities. Before that, an attempt was made to soak up some of the surplus cash in the economy through the simple expedient of calling in 50 and 100 ruble notes. Gorbachev is certainly not travelling along the road to “free enterprise” as fast as the IMF or Yeltsin would like, but he appears to be moving to establish the prerequisites of a market economy. He knows that the path to the market is fraught with the peril of popular revolt, and that embarking on it means discarding democratic pretensions at some point. As the 22 December issue of Britain’s *Tory Economist* noted:

“If Mr Gorbachev chooses the smack of firm government, it could turn out to be as lethal to reform as martial law was in Poland. But it might, just might, be the Soviet Union’s turn for what could be called the Pinochet approach to liberal economics.”

A Marxist appraisal of Stalinism cannot be based solely on the intentions of the apparatchiks. In the present circumstances the second question is equally important: are the Stalinists *capable* of defending socialized property in the USSR for any length of time? It is possible that leading sections of the bureaucracy may attempt at some future point to arrest the process of capitalist restoration. If that happened, it would be our duty to side

militarily with the “conservatives” against the Yeltsinites. The Stalinist caste is incapable of *solving* the problems which gave rise to the “reforms” in the first place, but slamming on the brakes could at least buy some time.

Gorbachev launched perestroika because the Soviet economy could no longer move forward on the basis of the bureaucratic-commandist methods inherited from Stalin. Those methods were exhausted under Brezhnev, and trying to go back to them now would be to attempt to put the genie back in the bottle. Many in the *nomenklatura* would no doubt like to see a return to the old days when everyone obeyed without question. However, the workers obeyed the Stalinists not only out of fear, but also because they believed that they were building socialism and a better life for their children and grandchildren. Having abandoned even the rhetoric of socialism, the Stalinists can now offer the Soviet masses only a regime based on force. This is an offer the workers are bound to refuse.

Right now, the bureaucracy exhibits no intention of defending the historic gains of the working class. The attempts the apparatus has made to win popular support only testify to its bankruptcy. The “hardliners” appeal to the people on the basis of their meanest, most parochial and retrograde instincts. They attack Western investors not because they are capitalists, but because they are foreigners. They call for order not on the basis of proletarian discipline, but by appealing to the slavish traditions engendered by centuries of serfdom and absolutist rule. At “patriotic” meetings and military rallies, holy icons and portraits of the czars appear side by side with pictures of Stalin. They calumniate the liberal democrats in the Yeltsin camp not because they are anti-communists, but because many of them are Jews. The vilest aspect of the apparatus’ attempted comeback is its thinly-veiled alliance with Pamyat, an organization of open Russian chauvinists and anti-Semites. Xenophobia, national chauvinism and anti-Semitism have always been weapons in the Stalinist arsenal. But in the past they were tempered by socialist phrases. Now the socialist pretensions have been thrown aside, and only the dross remains.

...And How to Avert It

Soviet Stalinism is at the end of its historical tether. The current counteroffensive by the apparatus is but a spasm in the death throes of a dying caste. We are witnessing the debacle that Trotsky predicted would result from trying to defend collectivized property with bureaucratic methods. The economic gains of the October Revolution have not yet been eradicated. But now, more than ever, the task of protecting them from imperialism devolves directly on the Soviet working class.

From the Donbass to the Kuzbass to Minsk, Soviet workers are already in motion. Because the state still controls the economy, their fight to defend their standard of living has turned political far more rapidly than similar struggles under capitalism. The fact that they have been driven into the arms of Yeltsin attests to the complete vacuum of proletarian political leadership in

the USSR today. But they cannot be victorious by following either pro-capitalist demagogues or hidebound bureaucrats. They must look instead to their own peerless revolutionary history.

In that history they will find a party, the Bolsheviks, that led the world's first and only proletarian revolution, and a leader, Lenin, the main strategist of that victory, who was very different from the official icon. They will also find another leader, Trotsky, who resisted the degeneration of the revolution, and who told the work-ers

the truth: that the idea of "socialism in one country" was a reactionary lie. Against the autarkic fantasies of the Stalinist oligarchs Trotsky fought to redeem the bright promise of October through a proletarian political revolution linked indissolubly to the world revolution. These traditions and that program have been obscured by decades of Stalinist falsification. Only by rediscovering them, and building a revolutionary party that embodies them, can the Soviet working class avert catastrophe and resume the offensive that shook the world in 1917. ■