

Critique Notes

Critique has taken a long holiday. We have no paid staff and our editors are overworked. We have taken steps to make certain that we can out regularly. We can only thank our readers for their loyalty.

Critique continues to have its regular February Conferences at Conway Hall and will have its next one on the last Saturday of February on the theme of Socialism or Barbarism. Our last two included as speakers Bertell Ollman, Istvan Meszaros, Mick Cox, Hillel Ticktin, Latief Parker, Alan Horn, Yassamine Mather on the following topics: the state of modern capitalism, the former USSR, Marxist Philosophy and the condition of the left.

Where are we today?

This journal in contradistinction to some others has tended to be more optimistic in its overall attitude, even if it has been more 'miserabilistic' in its predictions for Stalinism and indeed for the immediate future of capitalism. In these notes we will be concerned with two issues: the future for socialism and the current state of the capitalist crisis.

The Future for Socialism 10 years after the fall of the Berlin Wall

The end of Stalinism has meant that one time Stalinists (and those who regarded the USSR as socialist, semi-socialist or non-socialist with socialist aspects) have rationalised the momentous changes since 1989 as a period of victorious reaction. This viewpoint is held quite broadly in the left, as many have looked on the USSR as a deviant member of the left fraternity, and, even though not a few would be horrified at being called Stalinist, they quite liked the thought of the USSR criticising the USA. As this attitude is quite common, it has meant that there is a quiet mood of resignation diffusing through parts of the left. While there is no point in calling anyone and everyone a Stalinist, nonetheless, the source of this pessimistic mood lies in the failure of the pessimists to come to grips with the nature of Stalinism itself.

For Critique, the end of Stalinism heralds a period of liberation. The Stalinist Soviet Union was responsible for the direct murder of tens of millions and indirectly the cause of the death of many millions more. Above all, thousands of Communists, dedicated Marxists, proletarian internationalists of different kinds and various leftists were killed, often brutally, by Stalinists both in the USSR and elsewhere in the world. We should never forget the honest proletarians and intellectuals who perished upholding the proletarian flag against the Stalinist executioners, whatever their viewpoint. Stalinist mass murder cannot be regarded as a mistake which can be forgiven. It was and is a tragedy of unequalled proportions in world history. It destroyed the most dedicated and honest political leaders of our time. As a result the left has no continuous history both in the former USSR and elsewhere. Furthermore, the mass murders and the atmosphere of permanent terror which prevailed under the Stalinist regimes have remained identified with socialism to this day. It is hard for ordinary people to see any difference when so-called socialists still see something positive in such regimes.

In short, Stalinism was the main block to socialism in the last 80 years because it prevented the rise of a revolutionary proletariat by killing many of its leaders, by directly fighting any revolutionary currents, by encouraging the right to imprison or murder the left and crucially by taking a consistently Soviet nationalist line in the international arena. Stalinism could have prevented Franco winning or Hitler taking power but it preferred to murder the left and actually ally itself with Hitler in the provincial governments in the early 30s. Trotsky's calls for a united front to stop Hitler went unheeded. Indeed it was Stalinism which made Hitler's one man rule credible. There are many similarities between Fascism and Stalinism and the controls over labour are probably the most obvious. This is not to say that they were the same. They were not. There was a market under Hitler but none under Stalin. Again, it was Trotsky who pointed out that Stalinism was actually worse politically than Nazi Germany.

Today Nazi Germany is paraded as the epitome of absolute evil. In fact, Stalinism in its heyday of mass imprisonment and mass murder was no better. After 1957 the camps were disbanded even though political imprisonment remained. Nonetheless, its counter-revolutionary nature was not altered and the internal repression was maintained, even if without mass arrests and with a limited welfare state. Discrimination against non-Russians, anti-semitism and immediate victimisation of dissidents were in its nature. An elite ruled in its own interests and workers remained exploited, with a low income. This is not the place to analyse the complex nature of the Soviet Union. That was done over many past issues of Critique and by its editors in various books. In this issue, we have a number of articles which look at its successor and one article by Chris Arthur which revives the question of the nature of the USSR.

The crucial point is that our own present period is one of opportunity, unparalleled since the twenties of the last century. The Stalinist block has been removed. The genuine left can now show itself without fear and with a new credibility.

From 1989 onwards left wing conferences were bedevilled with sessions on the crisis of Marxism? Would that there was such a crisis. That, at least, would presuppose the existence of a once vibrant Marxism. In fact, there have been many Stalinist organisations and many Stalinist writers of different kinds. (The term Stalinist is used in the technical sense of someone who supports the doctrine of socialism in one country. There have also been Stalinists of a narrower kind, who supported the USSR whatever it did, but the term is more correctly applied to the doctrine which Stalin adopted as his own.) We cannot, however, regard Stalinists as Marxists since it is the ABC of Marxism that the proletariat is the universal class. The proletariat cannot be nationalist and remain a working class. Nationalism, whatever the variety, of the oppressor or the oppressed, stands in direct conflict with the struggle of the working class for its emancipation, as the basis for universal emancipation. Hence the Stalinist is not a Marxist, even if Stalinism is a degenerate derivative of Marxism. This is not to say that the struggle of the proletariat and peasantry of oppressed nations does not have a double nature. The essential point is that the proletariat cannot unite with either bureaucrats or the capitalist class to achieve its goals. Stalinism has shown that it has another viewpoint.

Since Stalinism was dominant in the so-called Marxist left for the last 75 years or so, it follows that its demise has the form of the demise of Marxism. Those, however, who repudiate Stalinism, root and branch, can only rejoice at its excision. For them, there is no decline in Marxism since it had a tenuous existence in the past period.

On the contrary, the last 10 years have seen important changes for the better. The left wing groupuscules have begun to emerge from the shadows. In a number of countries they have become central to the electoral left. The figures remain small but they are no longer absurdly tiny. After all, the SPD obtained only one per cent of the vote in 1878 and became the largest party in the German Parliament by the 1890s. Some Stalinists have admitted their errors and shifted to the left. The Stalinist parties have more commonly moved to the right and to ultimate extinction, and that is progress. The result has been a decline, though not the end, of sectarianism. The growth of the London Socialist Alliance in England, the Scottish Socialist Party in Scotland, the various Trotskyist groups in France etc indicates that the left is emerging from its long defeat, however critical we may be of these groups. The end of the Cold War has permitted Marxists to speak and write more openly but it must take time for the intellectuals to appear. There are, of course, not a few who have turned Marxism into a business and a career, some perforce, and it will only require the proletariat to take action to show who is what.

The word is action, not battle or overthrow. Capitalism is caught between its need to have a downturn, to deal with the working class and solve its problems of capital surplus and overproduction of commodities, and its need to maintain the status quo to maintain its coherence and support. It is damned whichever way it turns. That is why it must twist and turn to achieve the holy grail of a soft landing. This will be discussed further below.

There is no alternative

The point is that there is every reason for optimism with the end of the Cold War and Stalinism. Social Democracy has evaporated to be replaced by parties which have the same name but which now directly express the interests of the central bourgeoisie. Formerly, social democracy made concessions to the working class in the interests of capitalism. Today the social democrats act only in the interests of big capital. They privatise, deregulate and remove welfare and pension rights with the best of the conservative parties. Central capital, unlike fringe and small capital, needs a welfare state and state intervention to maintain capital itself and hence the new model social democratic parties perform this necessary function, pretending that they are the defenders of the common man, when they can. More often they appear as the robbers of the pension rights of the widows, single mothers and the elderly as in the United Kingdom. Electoral considerations compel a few concessions but in general the social democrats have vacated the seat they occupied on the left.

Workers of all kinds have no choice but to turn to a new socialist party. There is no competition. As we have indicated above the vacuum is beginning to be filled. We can

remain quietly confident that this is the pre-history of the left and as history speeds up, a new and vibrant Marxism will show itself.

The pessimistic tone of the editorial of the first issue of the New Left Review is not a new direction for that journal. In days gone by it saw a left where we saw none. It took a more favourable view of the Soviet Union than Critique, which made it clear from its inception that the future of the USSR was behind it. Where they see a new desert, we see an old desert but with new green shoots following new rains.

What has happened to the Capitalist Crisis?

In the last issue of Critique, we predicted an imminent crisis. We were right in that a crisis broke out within a month or two of Critique appearing in July 1998 but we were wrong in that the capitalist class contained its global impact. Although there has been some recovery, the third world remains mired in a downturn. Japan is now in its 10th year of depression and there seems no end to it. Africa is a catastrophe. The South East Asian Tigers have received considerable aid from the IMF and no longer have negative GNP growth but industrial growth remains fragile and crucial banks continue to be in financial difficulty. Central and Eastern Europe has still not taken off. The position in the former Soviet Union is dire even if it has had positive growth for two years now. Western Europe is not in a downturn but neither is it in a definite upturn. In truth, only the United States, and a few small countries like Ireland, have a high growth rate but that is enough to prevent a global downturn.

That high growth rate is sustained by a very large inflow of capital into the United States together with legal immigration of over a million persons. Illegal immigration adds a considerable number to that figure. We do not need to go further to seek the cause of the boom. Between the 300 to 400 million dollar inflow into the United States and a labour force which continues to be atomised, there was every reason to expect a rise in profits, at least for a time.

Nonetheless, the inflow cannot continue forever and workers must ultimately act to defend their interests. We have seen signs of the latter. Workers are demanding higher wages and winning their demands in more than one country. Thus far these victories have been very limited but they show what the capitalist class that full employment is dangerous.

Today we have a world economy in which there is surplus of capital and overproduction in crucial areas, most notably automobiles, and indications of labour unrest. Profits have begun to turn down again. Only a downturn can solve these problems for the capitalist class and such a downturn must, therefore, occur. At the same time, governments have pledged to raise the level of employment and fight unemployment. The incoherent though rising discontent in society is being bought off with promises of unemployment and so a return to the 'golden age' after the Second World War. A downturn at this time, therefore, can only be politically dangerous. The demoralisation following on a downturn, with its rising unemployment, will not be enough to prevent massive political opposition to capitalism.

Governments and so the ruling class are caught in a situation where they are damned whichever way they turn.

Can there be a Soft Landing?

Hence the obsessive speculation in the press, and behind the press, about the possibility of a soft landing. We live in a period of big government and big capital, in spite of the nonsensical propaganda about downsizing both, and both capital and its governments can intervene to prevent a full scale depression. The question, however, is whether they will want to do so, given the cost to themselves. The US government has taken over banks and lending societies before now. It has given subsidies to companies or industries to ensure that they survive. The question, the answer to which is unknown, is how far they will go along this road. Japan which has pioneered the present downturn does not give the capitalist class any reason for optimism. Will the United States government go further than the Japanese in stimulating the economy? Will they take over banks and run them? Will they take over industries and run them? Clearly no private enterprise will expand production when profits are falling and likely to fall further if the company expands production. The profit motive would have to be suspended for a time, with all the consequences which follow, to ensure expansion. Alternatively, the government could pour huge sums into military industry, at a time when there would be no excuse for doing so.

This question is discussed by Hillel Ticktin in some detail. In a sense the question is not when the downturn will come since no one can predict the exact timing, even though most sensible people outside the United States expect it to come, but why it has not come already. The reason is not accidental but goes to the heart of the system, argues Hillel Ticktin.

The end of Triumphalism

Nothing illustrates more clearly the failure of capitalism than the awful tragedy of the former USSR. The population has been plunged into abject poverty, by a process of de-industrialisation more rapid and more profound than anywhere else in history. Some argued earlier that the FSU would become like Latin America but the former USSR is not like Latin America in that military industry has been preserved even if in a weaker form, and various other industries continue to operate so that the FSU presents the paradox of an area which is both industrialised and de-industrialised. However, in one respect the FSU has gone beyond Latin America-in the rapid impoverishment of the population. Stephen Cohen outlined some of the aspects¹:

Those areas where the collective farms have ceased to exist, like Moldova, formerly Moldavia, have been plunged into the dark ages. The Economist has outlined the situation very graphically. ²Curiously even the Economist was moved to advocate co-operatives but it is probably too late to save the present generation, who have moved from the combine

¹ The Nation

² The Economist 22-09-2000

harvester to the hoe. Naturally the Economist cannot see that it is capitalism itself which has destroyed agriculture in that area but there is no other culprit, however much modern economists might twist and turn. It would not have been difficult for a socialist government to convert the collective farms into co-operatives on a planned basis but modern capitalism eschews all forms of planning even if it is only forms of limited direction.

The Stalinist system continues to disintegrate, while the West is still trying unsuccessfully to replace the old system with capitalism. The old elite has converted into a new elite and externalised itself as far as possible but the main movement in the society is towards disintegration, decline and decay. Those who can emigrate do so. A society which once had a high if wasteful investment rate, with a high level of education, with high levels of industrialisation and with an extensive system of health protection now finds itself turned upside down. Without replacement investment, the infrastructure of transport, construction, the supply of electricity, gas and oil must decay, while without educational opportunity youth cannot obtain useful jobs and without medicines and health programmes the health of the population declines. The logic of the continued disintegration of the region is towards the replacement of cities by the jungle where the soil and climate permit or by concrete deserts of crumbling buildings and roads.

Capitalism has reverted to type. Before the Soviet Union, the Imperial powers preferred to invest in the extraction of raw materials in the third world rather than in the building up of industry. It is no accident that the countries closest to the USSR, and China: ie East Asia developed quickest.