WHITHER RUSSIA?

Which way is the course of social and economic development tending in Russia at the present time? To what extent have "modifications" of Socialism been found necessary? What are the deeper issues involved in the differences between Soviet leaders? These questions, discussed continually with little knowledge and less understanding in the capitalist press, are here ably dealt with by Maurice Dobb. And to all working-class students a right understanding of this page of history which is being written in our own day is of the first importance.

THE question, *Towards Socialism or Capitalism?*, which is the title of Trotsky's latest book*, is capable of a legion of different answers, not only according to one's reading of the facts of the case, but also according to the definition of Socialism and capitalism which one adopts. Some will define them in a purely formal way as consisting in certain *forms* of industrial control and administration. And on this basis one person will regard the return to money and market dealings under NEP as a step away from Socialism, because the "war communism" of the civil war period fits most closely to the ideal forms he has in mind; while another, considering that Socialism consists in the election of industrial administrators directly from below and the complete divorce of "pay" from individual output, etc., will regard the system of individual appointed managers and the introduction of piece-rates as an abandonment of Socialist "principles" for immediate expediency. By such a route one can arrive at many surprising conclusions. One can show that Russia is not Socialist because there are beggars in the streets and the tramcars are over-crowded. It is sometimes said that Russia is not Socialist because workshop discipline has to be observed, and American workshop methods are used. British and continental Social-Democrats are fond of drawing conclusions from the fact that real wages in Russia are lower than in capitalist Britain and U.S.A.

Clearly, if we approach the question from the Marxian standpoint, we should see at once that the crux of the matter is the class issue. State-ism, even with the addition of a degree of workers' control, is not Socialism, if the State is still an instrument dominated by "the City" and the F.B.I. But, if power has been transferred to the workers (in a real sense, and not a mere legal sense of a Labour Parliamentary majority), and a Workers' State is in being, then the approach of Socialism is clearly to be judged according as

* *Towards Socialism or Capitalism?*, by L. Trotsky. (Methuem & Co., 2/6 net).

the control and influence of this State is being extended, the economic monopoly of the capitalist class is broken, and progress is being made towards a classless community.

It is to the question defined in this way that Trotsky answers emphatically that Russia is going towards Socialism. In Russia power has been transferred to a Party of the working class in the very real and complete sense that effective control over the work of executive departments and economic organs, over the judiciary, the army and police, the Press, etc., is in the hands of that Party's representatives, pledged to carry out in unison the Party policy. The State, accordingly, is a Workers' State so long as that Party continues to base itself on the workers, to be of their texture, and to express their interests. Trotsky shows by the statistics of the Economic Planning Commission (Gosplan) that this Workers' State controls 100 per cent. of transport, 99 per cent. of large industry, and 79 per cent. of the whole industrial output. The domain of private capital, is, therefore, confined almost entirely to small production and to relatively unimportant spheres of the economic system. Capitalist monopoly in the means of production has definitely been broken; and industry is mainly "of a consistently Socialist type." Moreover, Socialist industry is growing—growing absolutely in the sense that industrial output is already nearly reaching the pre-war level, as against 71 per cent. of pre-war in 1924-25, and less than 20 per cent. in 1921*; growing relatively in that, whereas private capital participated in trade to the extent of 50 per cent. in 1923, its share has now shrunk to 26 per cent., while the output of private industry as a percentage of the total has declined in two years from 23.7 to 20.3 per cent. Trotsky's discussion of these facts, in his usual clear and forcible style, is a publication of significance for our whole movement.

But, it will be asked, are there no contrary tendencies? What of the peasants who represent the overwhelming majority of the population of the country? Is it not true, as Trotsky shows, that if we include agriculture as well as industry, only 62 per cent. of the whole means of production is socialised? This is certainly true; and it is unquestionably important to evaluate any such counter-tendencies, in order to see which of the currents in the eddies of transition tend to gain the mastery. In a peasant country a Workers' State would evidently stand no chance of survival had it not a firm alliance with the majority of the peasant food-producers; and the preservation

*Trotsky gives the figure of 95 per cent. for 1925-6. In view of the corn export last winter falling short of program, and the consequent need to curtail severely the import program of machinery and raw materials, only about 88 per cent. will probably be reached as the average of the whole year. Nevertheless, by the *end* of the year, the higher figure should be attained.

of such an alliance must, therefore, be a pre-condition for any approach to Socialism at all. To achieve this alliance, an initial concession accordingly had to be made to the peasant in granting to him the land. Was such a concession, then, a step away from Socialism? Clearly it was not, if it made possible a development of Socialism in the towns which would otherwise have been unattainable.

A further question, however, at once arises: how far is the recovery of agriculture and the improved marketing of grain, by aiding the prosperity of the village, strengthening an anti-Socialist tendency faster than Socialism grows in the towns? And the answer to this question is not an easy one at first sight. The first consideration which we have to bear in mind in attempting an answer is that the peasantry, though an individualist and non-Socialist element, does not constitute capitalism; and the growth of the peasantry is not, therefore, synonymous with the re-birth of capitalism. Capitalism is conceived in class monopoly. But when land is divided among 13 million households, one can hardly talk here of monopoly. By itself, therefore, a concession to the peasantry does not represent any reversal of the Socialist tendency, even though it may mark a delaying of it. Indeed, if such a concession enables Socialist industry of the towns to develop more firmly, then Socialism and the final socialisation of peasant economy itself through the medium of the co-operatives, education, etc., is helped not hindered.

On the other hand, what *does* constitute a capitalist tendency is the growth of a class of rich peasants (*kulaks*) in the villages, hiring the labour-power of the poorer peasants and accumulating capital. The revival of peasant economy, with freedom to trade and to hire labour, was bound to lead again to a certain degree of class differentiation in the villages; and this tendency certainly exists clearly marked to-day. If it were to develop, a union might grow up between the village *kulaks* and the town *nepmen*, as a new embryo capitalist class, gradually attracting to itself, ideologically and politically, the more highly paid "experts" and State officials, thereby causing the State to be influenced by interests and an ideology hostile to the workers and to Socialism. But the important point is, that though this tendency exists—just as in Socialist industry itself there is a continual tendency for the officials to form a kind of "white-collar caste"—it is a tendency that is restrained within very definite limits. It is restrained by the fact that so long as the State remains a Workers' State, the apparatus of credit can be used. To aid the poorer peasant and prevent his proletarianisation, the apparatus of taxation and the exclusion of the *kulak* from the franchise can be used to check effectively the *kulak's* rise to wealth and power. And the essential safeguard against a

"perversion" of the Workers' State which might preclude it from using its influence in such a way, and against the crystallising of a bureaucratic caste separate from the workers, is the continued supremacy and unity of the Communist Party, with its continuous insistence on contact with the masses and on the firm and unified guidance of every department of State activity in line with a carefully planned Socialist policy. As in the earlier strategy of 1917, so in the more complex strategy of constructing Socialism, the Party in Russia plays the rôle of a General Staff.

It is precisely about the relative strength of these diverse tendencies that the present controversy in the Russian C.P. is concerned. In some ways it does not touch such fundamental matters of principle as did the controversy of 1923-4, with which the name of Trotsky was associated on the minority side. The issue at that time concerned the very interpretation of the basic *smytchka,* or union of worker and peasant, on which a very important parting of the ways presented itself. One group, containing a considerable number of those engaged in the administration of industry, wished to use the monopoly position of Socialist industry to keep up the price of industrial goods sold to the peasant, while keeping down the price of grain sold for the town market, in order thereby to accumulate industrial profits at the peasants' expense, to be used to expand Socialist industry rapidly, and so industrialise the country. Of this tendency, which one may perhaps call the "industrialist" tendency, there naturally were varying shades. Among its most emphatic exponents was Preobrazhensky, who regarded it as the duty of the State to build up Socialism by "exploiting" the peasant for the benefit of industrial accumulation, just as merchant capital of the mediæval towns sought to use its power over the urban market to exploit the countryside, and as Mercantilism and later Imperialism sought to exploit colonial areas. Others, such as Piatakov and Ossinsky, leaned towards this view; and Trotsky, though he did not commit himself explicitly to the doctrine, advanced practical proposals which led in this direction, so that the "industrialists" lined up behind him and treated him as their leader. In fact, it was felt that the theory of "permanent revolution" which Trotsky had previously propounded, necessarily biassed him along this path; for according to this theory, the workers, having seized power with the aid of the peasantry, would then, leaning against a revolution in Western Europe, have to wage a further class war against the peasantry. If politically, therefore, a war with the peasant was inevitable, why in economic relations should one care for his interests?*

*This 1923-4 discussion was dealt with summarily in an article in THE PLEBS for May, 1925.

The majority view, however, declared emphatically in favour of the other road. The opposition proposal was denounced as a dangerous blow at the *smytchka* which lay at the basis of Soviet power. What was needed was to keep a balance between industry and agriculture, and to encourage the production of grain for the town and for export. With the victory of the majority view the way was prepared for carrying out energetically the policy of reducing industrial prices, stabilising the currency, extending co-operative credit to peasant agriculture, and promoting the grain export which would enable the importation from abroad of machinery for the expansion of industry.

In this 1923-4 discussion two of the most determined opponents of the opposition were Zinoviev and Kamenev. It was they who insisted most severely on the need for unity of the Party and the inadmissibility of forming any fractions within the Party, and who wished to exclude Trotsky from the Political Bureau. It was Zinoviev and his friends who, in particular, placed the discussion on a most acrimonious and uncomradely basis by producing (in the words of Buharin) "a large number of evil-smelling pamphlets which aggravated the question to a point to which it should never have been brought." Yet at the present time it is they, now that they have a disagreement with the majority of the Central Committee, who are apparently aiding the formation of an opposition fraction, and have entered into an alliance with Trotsky and the supporters of the "industrialist" policy.

This does not mean that the issues in the 1926 discussion are those of 1923-4 served up anew. Though the diverse elements of the minority group differ from the official majority policy, they differ just as much among themselves, and have done no more than conduct a temporary *liaison* against the majority. The issues which have caused Zinoviev and Kamenev to go into opposition are slightly more complex, but at the same time not so fundamental; although they remain none the less important for Russia's future course. The discussion was foreshadowed in a lecture delivered by Stalin in June, 1925†, in which he declared that future policy must steer a middle course between two extremes, both born of a despair in the possibility of building Socialism in Russia alone. This middle course must avoid on the one side the tendency to sacrifice everything—the possibility of concessions, foreign trade and the development of Russian industry—to the artificial stimulation at all costs of a revolution in Western Europe. It must avoid on the other side the tendency to a Russian nationalism which would disband the Comintern, avoid entangling alliances with Eastern

†Published in English as *Bolshevism: Some questions answered*, by I. Stalin (C.P.G.B., 1/-).

nationalism, etc., in the interests of promoting better relations with the capitalist Powers for the benefit of Russian industrial development. With regard to the peasantry, peasant agriculture must be encouraged by lightening the burden of the agricultural tax, by extending co-operative credit, and by the provision of agricultural machinery and cheap industrial goods on rural markets, so that a corn export policy could be developed and native sources of industrial raw materials enlarged. Politically the mass of the poorer and "middle" peasants must be detached from the influence of the *kulak,* and brought into union with the workers by a "liquidation of the final remnants of War Communism in the village" (*i.e.,* methods of compulsion, arbitrary appointment of Soviet officials from above, etc.), and the extension of "Soviet Democracy" in the village, drawing in the mass of peasantry to participation in the work of local administration, and to the feeling that the Soviets were their own, and not an organ imposed on them from outside.

The quarrel of the Zinoviev group with this policy is based, not so much on a different view of the road to be travelled, as was the case in 1923-4, but on a different reading of the social tendencies at work in Russian development, and consequently a different emphasis on the various elements of policy, and on the tactics to be employed. Having opposed Trotsky for tending to sacrifice the *smytchka* between town and country altogether, in preoccupation with industry, they now criticise the Stalin-Rykov-Buharin policy for having, by the character of their concessions to the peasantry, encouraged such a growth of the village *kulak* as to constitute a distinct recrudescence of capitalism and a danger to the workers' power. They suggest that the State apparatus (and even the Party itself) is becoming infected by the *kulak* in paying regard to his interests in the desire to develop agriculture. The Workers' State, "perverted" in this way, is being drawn aside from the workers, and is ceasing to represent their interests completely. Those who accept this view are, consequently, timid of the "extension of Soviet Democracy" in the village, lest this should merely extend the "degeneration" of the State by admitting non-worker (and even pro-*kulak*) elements in increased numbers into the Soviets. They fear that the Russian C.P. may be exercising a too moderating influence in the Comintern in the interests of Russian foreign trade and diplomatic relations (for instance, Zinoviev favours the disbandment of the Anglo-Russian T.U. Committee and here links with Trotsky, who thinks the British C.P. was too moderate during the General Strike); and they call for the immediate recruiting for the Party of a million industrial workers to maintain its proletarian character.

So far this was a difference which though important, remained

merely a difference of opinion. In conformity with the principle of internal Party democracy, there was full discussion of the issues before the Party Congress. Stalin himself was instrumental in securing leave for Zinoviev to present a separate minority C.E.C. report to the Congress. When the Congress decision had been taken, Zinoviev was retained in his post on the Political Bureau of the Party (as in Trotsky's case in 1924), and Kamenev remained Commissar for Trade and a candidate to the Polbur, on condition that all should be at one in carrying out the majority decision. The disciplinary measures of removing Zinoviev and Kamenev and Lashevitch from their Party posts only came later, when they were found to be secretly working to hamper the official policy of the Party, and actually to be connected with the organisation of a secret faction (which Trotsky had never done). As Rykov said in a report on the matter on July 26th :—

"It would be damaging, unnecessary and injurious to apply such disciplinary measures to comrades who disagree with the Party on separate political questions. If differences of views were to expose us to persecution, inner Party democracy would be but an empty phrase. Disciplinary measures only become necessary when groups and fractions rise on the soil of these differences of opinion, when the Party statutes are violated, when a split threatens."

The final outcome, therefore, raises an issue much greater than the initial difference of opinion. So long as Russia remains a composition of diverse social elements—Socialist industry and peasant agriculture, bourgeois officials and experts, skilled proletarians and unskilled workers lately recruited from the village, etc.—its development is bound to be marked by contradictions of elements and tendencies. But these contradictions will tend to grow less in the degree that a classless society appears. These different elements are even likely to have their reflection on the personnel of the ruling Party. For those who work in the village the problems and interests of the village will inevitably bulk unduly large. Those who work as managers and administrators of industry will tend to concentrate first on the interests of industrial management, and probably even to catch some of the psychology of the bourgeois colleagues with whom they work. The only surety that the Workers' State will pursue a consistent course towards its goal and not be deflected from its course by the undue pressure of any one tendency is the continued guidance of a Party in the rôle of a General Staff, united in carrying out a single policy and closely based upon the industrial workers. This Party, while guarding primarily the interests of the workers, must be fully conscious of the environment within which it works and know how to manœuvre accordingly and be both sensitive and flexible. Moreover, a General Staff leads a beaten army if its members issue conflicting directions to their command. What is to become of the grand strategy of a Workers' Party constructing Socialism in a peasant country in the midst of a

capitalist world, if the diverse contradictory tendencies of its environment are to be encouraged to imprint themselves on the Party personnel by breaking it into various groups and fractions, each representing a different tendency? The formation of such fractions would transform the Party from a General Staff into a debating society.

It is for this reason that the official policy in Russia is insisting that, while Soviet Democracy must be developed, free discussion and free election within the Party carefully preserved, and the fight against bureaucratic separatism in the State machine strenuously carried on, yet the lead of the Party in State policy and the inner unity of the Party, free from groups and fractions, must first and foremost be maintained. Were it not for the fact that the Communists of Russia are the governing power, such issues might be regarded as academic trifles. As it is, an ounce of difference of emphasis in the phrasing of a theory may make a ton of difference in the actual achievements of a policy. But though the present discussion is serious, it is probably not more serious than many similar controversies in the past. In a sense such clashes of divergent views are "growing-pains," and have occurred each time that Russia has been on the threshold of a big step forward. They occurred on the eve of October, 1917, in 1918 when Brest-Litovsk was in the balance, in 1920 before the introduction of NEP, and again in 1923 before the currency reform and the biggest improvement in Russian industry.

At present Russia has reached the point where industrial plant is utilised to the full, and the pre-war level of output is being attained. Further development is contingent on an "extension of basic capital" by the building of new factories, electrification, etc. The great problem of the future is how to procure the resources for this extension. To finance it at the expense of the peasants or of weaker nations is, as we have seen, ruled out by the circumstances of the case. Only a limited amount can be obtained from abroad by means of concessions and credits. To go further this way would be to "sell out" to the capitalist West. There remains the development of grain and oil and flax exports to provide the funds for import of machinery, the strict economy and improvements in industrial organisation, the development of productivity at a faster rate than the rise of wages. This way may seem slower than other spectacular schemes which catch the imagination, and "are of the stuff that dreams are made of." But it is sure. And if we would have the progress both fast as well as sure, then it is for the workers in the West themselves to complete what remains to write of the epic story.

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