

# Socialism has not failed

"Crumbling Communism", "Failure of Socialism", "End of Marxism" these are the terms to which the media have echoed as the events in Eastern Europe have unfolded. Something certainly has crumbled in Eastern Europe but it has not been socialism, communism or Marxism. For this to have happened these would have had to have existed in the first place, but they did not. What did exist there—and what has crumbled—is Leninism and totalitarian state capitalism.

## The Russian Empire

After the last war Russia extended its frontiers westwards by annexing parts of all its pre-war neighbours. At the same time it established a huge sphere of influence in Eastern Europe stretching from the borders of Sweden in the North to those of Greece in the South and embracing Finland, Poland, the eastern part of Germany, Czechoslovakia, Hungary, Rumania, Yugoslavia, Albania and Bulgaria.

In all these countries except Finland, identical regimes were installed to the one which had evolved in Russia after the Bolshevik coup of November 1917: a bureaucratic state capitalism where a privileged class, consisting of those occupying the top posts in the Party, the government, the armed forces and industry and known as the *nomenklatura*, ruled on the basis of dictatorially controlling the state machine where most industry was state-owned, a situation which gave them an effective class monopoly over the means of production.

Finland was the exception in that, after directly annexing a large chunk of what had previously been Finnish territory, the Russian ruling class refrained from installing bureaucratic state capitalism in what was left. Instead, in return for Finland giving up the possibility of pursuing a foreign policy that conflicted with Russian interests, a parliamentary regime and a private enterprise economy similar to that in Western Europe was allowed to develop.

## Finlandisation

The satellite regimes installed by the Russian army after 1948 were maintained in power essentially by the threat—and in East Germany in 1953, Hungary in 1956 and Czechoslovakia in 1968 by the reality—of Russian intervention. At no time did the ruling class in these countries enjoy any degree of popular support; in fact what has been happening there could have occurred at any time since 1948 but for this threat. The reason it has happened in 1989 and not before is that, faced with internal economic and political difficulties, the Russian ruling class under Gorbachev has had to dramatically revise its policy towards its empire in Eastern Europe, and decide that it will no longer use its troops to prop up the puppet regimes there. Instead, it has informed the ruling class in these countries that they are now on their own and that they had better make the best deal they can with their subjects.

This is not to say that Russia is prepared to let these countries escape from its sphere of influence, but only that it is now prepared to allow the "Finnish solution" to be applied to them too; in other words, considerable internal autonomy going so far as a

parliamentary regime and private enterprise capitalism in return for giving up the right to pursue an independent foreign policy by accepting Russian hegemony over the area.

### **Welcome advance**

This is a startling development whose speed shows just how fast things can change and how the change to socialism could become a prospect sooner than many think. Who would have believed a year ago that by 1990 Poland, Hungary, East Germany and Czechoslovakia would have a limited, but real, degree of political democracy and would abandon state capitalism for private capitalism (or, rather, for the same sort of mixed private and state capitalism that exists in the West)?

We welcome the fall in these countries of the dictatorial regimes which have dragged the names of socialism and Marx through the mud by wrongly associating them with one-party rule, a police state regime, food shortages and regimentation and indoctrination from the cradle to the grave. The coming of a degree of political democracy there is an advance as it extends the area in which socialist ideas can be spread by open means of meetings, publications and contesting elections and in which the working class can organise independently of the state to pursue its class interests.

### **Collapse of state capitalism**

The fall of the bureaucratic state capitalist regimes in Eastern Europe and the demise of the ruling *nomenklaturas* there has relevance for another aspect of the socialist case. The events in East Germany and Czechoslovakia in particular confirm our long-held view that it is impossible for a tiny minority to hang on to power in the face of a hostile, informed and determined majority. Here hard-line regimes, once it became clear that they could no longer rely on the intervention of the Russian army, collapsed in the face of mass popular pressure—fuelled by a determination, born of years of oppression, to kick out those responsible. In theory the East German and Czechoslovak ruling classes, who had shown themselves to be ruthless enough in the past, could have chosen to use physical force to try to maintain themselves in power—there is some evidence that a section in East Germany did consider sending in the troops to shoot down protestors—but in practical terms this was never really likely.

The rulers knew, through the reports of their secret police if not the evidence of their own eyes and ears, that up to 90 percent of the population was against them and that if they had ordered their armed forces to shoot all hell would have broken loose; the situation would have escaped from their control with a good chance of it all ending with them hanging from a lamp-post. So they decided to choose the lesser evil, as we can expect the capitalist class to do when faced with a determined, organised socialist majority, and negotiate a peaceful surrender of their power and privileges.

### **Private capitalism no progress**

The ruling *nomenklaturas* in Eastern Europe are on the way out. In agreeing to give up "the leading role of the Party" and submit themselves to elections which they are bound to lose, as well as to the privatisation of large sectors of industry, they are giving up the means through which they exercised their monopoly control over the means of production. They are becoming mere politicians in charge of a capitalist state without the privileged control over production and the privileged consumption they previously enjoyed as members of a collectively-owning state-capitalist ruling

class. Some of them may survive as politicians—given the tacit deal about doing nothing to harm Russian foreign policy interests there will still be a place for some pro-Russian politicians; others may be able to use the private fortunes they have accumulated to convert themselves into private capitalists, the group who are hoping to take over as the dominant section of the privileged owning class in these countries. But a change-over to private capitalism would be no advance. There would still be a minority in society enjoying big houses, privileged life-styles and Swiss bank accounts, only these would be private capitalists instead of state bureaucrats. We therefore urge workers in Eastern Europe, if they are to avoid a mere change of exploiters, to go on and oppose the emerging private capitalist class with the same admirable determination with which they have opposed and defeated the old state-capitalist ruling class.

### **Socialism can only be democratic**

As Socialists who have always held, like Marx, that socialism and democracy are inseparable and who denounced Lenin's distortion of Marxism right from 1917, we vehemently deny that it is socialism that has failed in Eastern Europe. What has failed there is totalitarian state capitalism falsely masquerading as socialism.

Socialism, as a worldwide society based on common ownership and democratic control of productive resources and the abolition of the wages system and the market with goods and services being produced and distributed to meet needs, has yet to be tried and more than ever remains the only way forward for humanity.

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