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W.F.P.

IS RUSSIA A PART OF THE COLLECTIVIST EPOCH OF SOCIETY?

The Fetishism of State Property

The revolutionary movement has lost Marx's capacity to keep his fingers on the pulse of human relations, that is social relations of production, and gets lost in the world of objective things. It keeps its eyes glued on the phenomena: property and politics instead of keeping them focused on the essence: labor and production. It took the genius of Marx to extract political economy from its fetishism of commodities. Has the revolutionary movement freed itself from the fetishism of a form of a product of labor (a commodity) only in order to create a new fetishism of a form of property (statified property)?

In his preface to Capital Marx warned us that in the analysis of economic forms, "neither microscopes nor chemical reagents are of use. The force of abstraction must please both." However, abstractions have no value viewed apart from history. Bourgeois economists were incapable of separating the theoretical potentialities of a relation from its historical starting point because of their bourgeois limitations in judging their own historic period. Their horizon was bounded by "the personification of things and reification of people"; they tried to turn the historicity of the particular period in which they lived into a theoretical abstraction; thus there was past history but there is no longer history. On the other hand, they tried to turn a historic form of labor such as "free labor" into a theoretical abstraction. In both instances, the human content was lost sight of behind the historic form.

The confusion in the minds of even the best bourgeois economists, said Engels in his review of Marx's Critique of Political Economy, is due to the fact that "economics deals not with things, but the relations between persons and in the last resort between classes; these relations are, however, always attached to things and appear as things." For example, exchange of commodities seems to mean exchange of things. In reality, however, the product appearing in exchange is a commodity "solely because a relation between two persons or communities attaches to the thing, the product."

In his famous chapter on the Fetishism of Commodities, Marx demonstrates most clearly how "a definite social relation between men assumed the fantastic form of a relation between things." And to the question, "whence, then, arises the enigmatical character of the product of labor, so soon as it assumes the form of commodities?" Marx replied, "Clearly, from the form itself." Clearly the fetishism of state property arises from the fact that the form of state property appeared in history as workers state property and was thus identified with a new production relation, which became attached to the thing, statified property.

First, there was the abstraction, workers state. When Trotsky failed to check the abstraction, workers state, against the reality, the Soviet Union, the mistake, in a practical sense, was a minor one because it concerned the viable workers state of Lenin and Trotsky which was still a workers state, though bureaucratically distorted. But when Trotsky carried over his mistaken conception of the workers state to the state of Stalin, the mistake was fatal.

1. Trotsky's concept of workers state and statified property

Watch how Trotsky turns the abstraction, workers state, into the fetish, statified property: "The nationalization of the land, the means of industry, production, transport and exchange, together with the monopoly of foreign trade, constitutes the basis of Soviet social structure. Through these relations, established by the proletarian revolution, the nature of the Soviet Union as a proletarian state is for us basically defined." Which relations; production relations or property relations? They are not one and the same thing. We have seen how Marx had never tired of stressing that it was the process of production which defined an economy and that classes were determined by the role in the process of production; that is, by the production relations. A property relation is the legal expression of the production relation. It merely expresses that relationship, sometimes correctly, sometimes incorrectly, depending upon whether the production relationship has been validated by law. In itself, without reference to the actual production relations, state property is a form of property or property relation, not a relation of production. It is a derivative, not a fundamental relation. In periods of revolution and counter-revolution, when the actual production relations undergo a transformation while the legal expressions are still retained in the laws: production relations cannot be equated to property relations without equating revolution to counter-revolution!

Trotsky never comprehended what making a fetish of statified property could lead to. He always spoke of the recession in the workers state as something that might consolidate, or as something that would happen, but never as a process that was evolving before his very eyes. When confronted with the familiar features of private property capitalism of the NEP, he correctly warned that an unbridled development of the NEP would lead to the Soviet Union's acquiring "capitalism on the instalment plan." But in 1927-8 when the "principle" of industrialization and collectivization was adopted, the abstraction, the workers state, was transformed into the fetish, statified property. Yet he mercilessly criticised the Left Oppositionists who were led to capitulation through equating workers state to statified property. He subscribed to Rakovsky's correct analysis of the capitulators: "The capitulators refuse to consider what steps must be adopted in order that industrialization and collectivization do not bring about results opposite to those expected... They leave out of consideration the main question; what changes will the 5 year plan bring about in the class relations in the country." (7.11.29) Rakovsky also saw that the conquests of October would not remain intact if economic laws were permitted to develop "spontaneously" without the conscious guidance of the vanguard into a direction advantageous to the proletariat. That is, he warned prophetically that a ruling class other than the proletariat was crystallizing "before our very eyes. The motive force of this singular class is the singular form of private property, state power," (17-18, 11-12 30)

In the analysis of the counter revolution we saw that the fetishism of state property blinded Trotsky from analysing correctly the development of that "singular form of private property, state power" and thus from discerning the social character of the counter-revolution when it came. Trotsky continued to employ the same terminology and gave it the same content; when he spoke of the state property characteristic of the dictatorship of the proletariat where the proletariat is the ruling class, as when he deals with state property characteristic of the Stalinist state where the working class is not the ruling class but the class in subjection! He thus substituted a property form for the class content. At the time of the Moscow Trials "the production relations established by October" were still in existence! He saw them merely as a gory political spectacle, as a sort of palace counter-revolution without social root, an exorcism of the rotten political super-structure but one that lacked an economic base nevertheless. But that is precisely what it did not lack. As we saw in the previous

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section, the Moscow Trials did not culminate merely a political counter-revolution in which the social foundations were left intact. Rather it was a counter-revolution in the relations of production. Apropos of "purely" political revolutions we must not forget Marx's emphasis that they have merely perfected the existing state machinery. In other words, since they involved a change of political rulers, and not a social change, the bourgeois political revolutions perfected, not distorted, the bourgeois state machine and thus the domination of the bourgeoisie as a class. Surely that cannot be said of the relation of the Stalinist "political" revolution in its relation to the social foundations of October. ~~But the analogy does not hold for this revolution.~~

Twenty years after the trade union dispute, when the Soviet Union was participating in an imperialist war as an integral part of it, and with the help of fascist Germany, was carving up Poland and destroying its spontaneously established soviet, Russia to Trotsky was still a workers state which needed to be unconditionally defended. The theoretical basis for this suicidal policy was: The social content of the dictatorship of the bureaucracy is determined by those productive relations which are created by the proletarian revolution. But what precisely is so immutable about the social content of the bureaucracy? It is a fetishism that has disoriented the revolutionary movement! It is a fetishism which has led part of the revolutionary movement to align itself with one of the imperialist camps in an imperialist war!!

## 2. Shachtman's concepts of collectivist property

"Under a social system of bureaucratic collectivism," states the Party's Russian thesis "...in the field of property ownership all classes are equal--hence none of them owns social property." (Emphasis in original) But whether or not all classes are "equal" in a property sense (in the bourgeois "eyes of the law" all classes are also "equal") no one--whether proletarian, collectivist commissar or capitalist coupon clipper--can gain a livelihood except out of the proceeds of production. Hence it is the relationships of production, not merely the legal aspects or the property relations which are the essence of things. To say that in Russia all classes are equal because none owns, is to take the legal fiction of ownership at face value. In her polemic against reformism, Rosa Luxemburg deals most profoundly yet succinctly with the property versus production theory: "By capitalist Bernstein does not mean a category of production but the right to property. To him, a capitalist is not an economic unit but a fiscal unit. And 'capital' is for him not a factor in production but simply a certain quantity of money."

When Marx analysed the process of capitalist production, he probed deeper than its legal outer covering. That is why he concluded that it was not ownership but function of capital that produced surplus value. Even when one analyzes a "new" order, one should not forget our Marxist ABCs which tells one that it is the productive process, wherein labor is exploited, which is creative of surplus-value. "If therefore the capitalist is the owner of the capital which he employs," says Marx's Capital, (53) "he pockets the whole profit or surplus value. It is immaterial to the laborer whether the capitalist pockets the whole profit or whether he has to pay over a part of it to some other person who has a legal claim to it. The reason for dividing the profit among two kinds of capitalists thus turns surreptitiously into reasons for the existence of surplus-value to be divided which the capital as such draws out of the process of production, quite apart from any subsequent division." Does this not apply to a bureaucratic collectivist society? What then, in that society, is the function of capital (or whatever you call the means of production alienated from the direct producers and those exploiting them)? Again we quote from Luxemburg's Reform and Revolution: "By transferring the concept of capitalism from production relations to property relations, and by speaking of simple individuals instead of speaking of entrepreneurs, he (Bernstein) moves the

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question of socialism from the domain of production into the domain of relations of fortune; that is, from the relation between capital and labor to the relation between rich and poor." P

Luxemburg was polemicizing against reformists who did not accept Marx's description of capitalist production. We are dealing with comrades who accept Marx's analysis of capitalist production--then apply none of his general criteria to the "new" social order just because they have given it a new name. Look at Russia and tell me what the proletariat lacks in order to be ruler in that state. It is not the title of ownership. On the contrary, the Constitution of that country defines state property as property "belonging to the whole people". The legal title notwithstanding, the profits that come out of Soviet industry go partly to the enterprises and partly to the state. The worker does not share in it, not because he does not "legally" own it, but because his role in the process of production is such that he labors and gets paid for his labor power at its value, which is at a probably low level--110 rubles per month. The worker does not "share the profits" because his relation to the means of production is such that when he has finished using the instruments, the product created (a commodity) through the union of that labor power with the means of production, belongs not to himself, but to the enterprise for which he works.

Now keep in mind the Russia of Lenin when the legal title was the same but the production relations were different. In Lenin's time, before the worker entered the factory, he had his production conference, where he decided upon the plan. While he applied his labor power to the instruments of production in the factory, there were his trade union and party representatives to contest any bossy conduct on the part of the factory director. When he got his pay envelope, he once again had recourse to his trade unions and once again had ~~discussed~~ discussed production results. He might have been told that he cannot get a further raise in pay because although his industry made a "profit", still the whole benefit should not revert to him because his state needed to produce steel and that didn't cede a profit yet. He would know then that he did not directly benefit by his industry's growth but that his class did. Does Shachtman know what the railroad worker did when he was dissatisfied with the regime? Why, the rank and file workers, in one single year, brought pressure to bear so that the Glavpolitput (the political superintendence over the economic programs) was abolished; the composition of the Cectran was changed; all went back to their respective trade unions and functioned through normal democratic procedures. Yes, Comrade Shachtman, the rank and file workers had that power not because he had the legal title, which he likewise has now, but because of the production relations (which were the opposite of what they are now). In this case the vanguard political party followed the lead of the workers. "Every political superstructure in the last analysis serves production, and in the last analysis is determined by the production relations prevailing in the given society." (Lenin) 72

Further our thesis reads: "With the new mode of distribution, the bureaucracy developed a new mode of production, production for the swelling needs of the bureaucracy." Thus the party thesis perverts a basic Marxian concept in order to lay the basis for a rather original (for a Marxist) position on Soviet economy. Or have we forgotten our Marxist ABC's that 1. distribution is merely the "expression of the historically determined conditions of production." (54) and 2. that before distribution can become distribution of production, it is the distribution of the means of production. Here is how Lenin expresses the difference between scientific and vulgar socialism: "Marx contrasted vulgar socialism to scientific socialism, which does not attach great importance to distribution and which explains the social system by the organization of the relations of production and which considers that the given system of relations of production includes a definite system of distribution. This idea runs like a thread through the whole of Marx's teachings." (56) And this idea applies not only to capitalist society but to all societies, particularly to all class societies, including, we should think, bureaucratic collectivism. A

It is not as Shachtman puts it, "the equality of poverty" which was responsible for the type of distribution prevailing during the period of the workers state of Lenin and Trotsky, but the fact that the workers were the rulers of, masters over, the productive process. "Having overthrown the bourgeoisie and conquered political power," wrote Lenin (57), "the proletariat has become the ruling class; it holds the power of the state; it has the disposal of the means of production which have now become social." In other words when the means of production are collective property of the workers there "naturally" (Marx) results a different distribution, not merely of commodities produced, but primarily, of the means of production. For what is crucial regarding the subject of distribution is: which class determines production?

Contrasting the young workers state to capitalist lands, Lenin wrote, (58) "But see how things have changed since the political power is in the hands of the working class, since the political power of the exploiters is overthrown and since all the means of production (except those which the workers state voluntarily gives to the exploiters for a time, in the form of concessions) are owned by the working class." Thus when the proletariat owned the means of production, the relationship of the means of production to the means of consumption was 44.6% to 55.4%, and by the time industry reached its pre-war level, the standard of living of Shachtman's propertyless proletariat but Lenin's property owning proletariat was 125% of that level. But when the appropriating class differed from the direct producers, then the relationship of the means of production to the means of consumption moved in such a direction that by 1940, the means of production constituted 61% of the total economy, and the means of consumption but 39%, and, most important of all, the standard of living decreased to half of what it was in 1928 whilst the "collectivist" wealth of the "whole people" jumped from 6 billion to 178 billion! The distribution of the means of consumption was due, in the first place, not to the fact that one class had the wherewithal to buy these products and others did not, but because one class, as the owner of the means of production, or, more correctly, the agent of a definite mode of production, determined the direction of the state economy.

Shachtman looks at the deterioration of the workers standard of living and says that bureaucratic collectivism is nearer to capitalism than to socialism. Then he looks at the collectivist forms of property and the "equality" of all classes in a property sense and these two words so overawe him that he comes to the conclusion that the 178 billion of collectivist wealth is worthy of being called part of the "collectivist epoch". Along with Trotsky, Shachtman turns satisfied property (collectivist) into a fetishism. In Trotsky's case it led him to call for the unconditional defense of the "workers State" which was integrally participating in an imperialist war. We recoiled. In Shachtman's case, it left an open way for the conditional defense of the same Stalinist state which is now called "bureaucratic collectivism" and because the defense is in the theoretic realm only, the Party accepted this straddling position.

### 3. Carter's species of collectivist property

Along with comrade Shachtman, comrade Carter has discovered a new society which he likewise dubs "bureaucratic collectivism". However, he differently interprets this "new social order". Comrade Carter grants that the Stalinist bureaucracy collectively owns the means of production but he insists that such ownership does NOT turn the means of production into "private property", which is what distinguishes the capitalist epoch. He beg to differ. The differentia specifica of capitalist production is not that the means of production are privately owned in the sense that they are private property, but that the means of production are capital. Under feudalism and under slavery there was likewise private property; neither must we forget that Marx also called tribal ownership "communal private property". Under the concept of property, we saw over the variety of class societies private property has sprawled. What precisely does Carter mean by private property? Surely the capitalist private property of the present monopoly imperialist epoch is not the individual private property of Adam Smith's era. The five million I T & I

stockholders may be owners of "private property" (surely stocks are calls upon surplus value to be produced), but in no way do they control, and Marx has stated that the formation of stock companies signified "the abolition of capital as private property" within the boundaries of cap. prod. itself." (82) But the abolition of capital as "private property" is not the abolition of capital, and it is capital which signifies that labor in that society is wage labor, and it is the capital-labor relation which determines the class structure of society as capitalistic.

Marx wrote that all conditions of capitalist society were reduced to two: private property, which he defined as accumulated labor, and living labor. So long as accumulated labor dominates over living labor there will be "private property" for "property turns out to be the right, on the part of the capitalist, to appropriate the unpaid labor of others or its product and to be the impossibility on the part of the laborer of appropriating his own product." Capitalist private property is the materialized unpaid labor of the laborer.

It was precisely this thorough understanding of contemporary society the profound analysis of its law of motion that enabled Marx not only to foresee but warn against being taken in by mere chance in the form of ownership, specifically, of the stratification of the means of production. Listen to the collaborator of Marx in a book read by Marx before its publication. In Anti-Duhring (312-3) Engels stressed that the stratification of the means of production "does not deprive the productive forces of their character as capital...The modern state, whatever its form, is essentially a capitalist machine; it is the state of the capitalists, the ideal collective body of all capitalists. The more productive forces it takes over, the more it becomes the real collective body of all the capitalists, the more citizens it exploits. The workers remain wage-earners, proletarians. The capitalist relationship is not abolished; it is rather pushed to an extreme. But at the extreme it changes into its opposite, state ownership of the productive forces is not the solution of the conflict, but it contains within itself the technical conditions that form the elements of that solution." Instead of analyzing how the technical conditions became, not the elements to the solution of the capital-labor relation, but the means to more brutal, totalitarian exploitation, Carter has used the existence of the state property as a cloak to hide the real relations of production, which in no way differ from those under capitalism.

#### Slave or forced labor

It is unnecessary again to repeat our Marxist fundamentals, to show that what distinguishes various forms of labor is the manner in which surplus labor is extracted; not to show that the manner in which it is extracted in Russia parallels that in the rest of the capitalist world. The whole discussion regarding "free" labor--"free in the double sense that neither they themselves form part and parcel of the means of production, as in the case of slaves, bondsmen, etc., nor do the means of production belong to them, as in the case of peasant proprietors" (188)--has been given a putridly liberal tinge by the exponents of bureaucratic collectivism, both of the Smolchman and Carter species.

It is a prime necessity to capitalist production that the worker be "free", for where he has not been entirely separated from the means of production, he does not readily offer his labor power for sale to the owner of the means of production. We had an example of that in the 19th century when the Russian serf was first freed but was not fully separated from his means of production, with the result that he refused to sell his labor power. Here is Marx's comment: (86) "The Russian farm laborer, owing to the communal property in land, has not been fully separated from his means of production and hence is not yet a 'free wage worker' in the full capitalist meaning of the word."

In the 20th century, history re-enacted an analogous scene in Russia. After the state granted the kolkhozniki certain private property rights, it found that there was not sufficient labor for industry. The kolkhozniki certainly not having been separated fully from the means of production and hence not being a "free wage worker" in the full capitalist meaning of the word, refused to offer his labor-power to city industry. In order to have a constant reserve army of "free" labor, the state decreed the creation of State Labor Reserves.

The worker must be "free" for capitalist production to be a fact, not in the sense that Marx interprets it of being "personally free" but in the sense of being free from the instruments which would put his labor power in action. That is why Marx placed the word free, more often in quotations than in italics. Or he would refer to the free worker as a wage-slave--and other times simply speak of all forms of slavery, "direct and indirect."

Will the bureaucratic collectivists please tell me when slave labor became an inherent feature of the Russian economy? Was it in 1932 when both his ration card and his right to living space were given into the hands of the factory director who had the right to fire him and evict him from the premises he occupied as living space for so little a misdemeanor as a single day's absence? 1932, however, has never been referred to by them; more often it is 1938 and 1940 laws. Pray tell, how the law, which seems to have such omnipotence in your eyes, could not make of the worker a slave in 1932 but could do so in 1938 when the same laws were restated with much more publicity attending the decree? Or was it in 1940 when criminal penalties were attached to the Order regarding the restoration of railroad transportation back in 1930! They might answer: it is not in the law but in the economic conditions. We will agree that it is the economic conditions, not the law, that carries the greater weight, but it is precisely when you weigh the economic conditions, that you see the Russian worker is as "free" as the German worker where the economy is still capitalist, not bureaucratic collectivist. Any serious study of German economy will reveal that the labor market is more efficiently controlled in Germany than in Russia, that the laborer is less able to break through the anti-labor legislation because, among other things, there is no extensive agricultural industry where the laborer can keep from being "free" by hiding himself on his  $\frac{1}{2}$  acre plot of land. That, however, is not the issue; the dispute is about the time when he is "free", free from land and free from the instruments of labor. The Russian worker has been so ingenious in circumventing the anti-labor legislation which tried to harness him to a single enterprise, that the latest pre-war conference stressed the fact that absenteeism and truancy were in many instances more prevalent than before the enactment of these decrees. Voznessensky complained that the Russian worker alas, still absented himself "particularly after pay day." It takes more than legislation to make of the wage slave a slave of old, a slave in body, and an integral part of the means of production!

It is a sad commentary on our movement that we have suddenly discovered that when Engels used the expression the proletariat is a "slave of no particular person but of the whole property owning class" he used it "metaphorically". Evidently what needs emphasis (in this period of fascisation of the state) according to our bureaucratic collectivists, is that the wage slave is "personally free" in all countries (where, in Germany?) except in Russia where he is "literally" not "metaphorically", a slave. Since "free labor" is a specific feature of capitalist production, and since it is non-existent in Russia, therefore, say Shachtman and Carter, it is in Russia where (slave) labor is an inherent feature of the Russian economy, that we have a new non-capitalist social order. They are adamant on the point of slave labor, though they have failed to prove that the Russian worker has sold himself "rump and stump". Furthermore, Shachtman thinks that the collectivist epoch in Russia has created a superior form, a higher rate of production, than under capitalism.

What dangerous contradictions! Slave labor exists, is an inherent feature of the new order; along side it exists a superior form of production. The idea that a superior form of production can coexist with slave labor destroys the entire Marxist conception of the development of labor in society. If Shachtman has not found out yet, Stalin has; forced labor is not conducive to high productivity necessitated by a highly industrialized economy. The state economy must have highly productive labor "to catch up with capitalist lands" and thus the management of the plants found that it must bid against each other for labor power of the worker. The worker continues to be "free", that is the wage slave continues to be obliged to sell his labor power on the market, and being "personally free", he finds he can force a few concessions while industry needs his labor power. That is why the state found that the worker was not afraid of being fired. That is why the state, realizing that it could not straight-jacket labor by threatening to fire him, thought it could force him to work through enacting criminal statutes, requiring the laborer to work at 25% reduction in pay. That is why he has now granted amnesty to all labor offenders