Social inequality, bureaucracy and the betrayal of socialism in the Soviet Union

Vadim Rogovin
29 December 1998

This lecture was delivered by Professor Vadim Rogovin at the Ruhr University in Germany in December 1996.

Today when many speak of the collapse of socialism, it is appropriate to pose the following question: what has collapsed with the ruling regimes in the Soviet Union and other countries? What were the aims of socialism and to what extent were they realised in the so-called socialist countries? Why was socialism in the Soviet Union twice betrayed, first by Stalin and the Stalinists and a second time by Gorbachev and his clique?

When we consider these questions, we arrive at the conclusion that the aim of socialism is the establishment of social equality among men.

It is no accident that official public opinion has always judged the conditions in those countries with nationalised property from the standpoint of the extent to which the principles of social equality were upheld. In this regard one sometimes comes across interesting examples.

One of my colleagues, who is frequently in Spain, related the following story: a well-known singer, a dissident from Cuba, recently appeared on Spanish television. With tears in her eyes she spoke of the privileges which existed in Cuba. She reported that party bureaucrats who were sick got single rooms in the hospitals, i.e., enjoyed privileges. All those who heard the program could only think "look at the privileges they have in Cuba!"

No one noticed that on the same day, a Madrid newspaper reported that the president of a leading stock company didn't attend a major shareholders' meeting because he had flown to his doctor in America, in a private aeroplane, for a consultation. The incident didn't provoke any particular attention. After all who could expect any sort of social equality and justice under capitalism?

Although such facts have been often used for openly demagogic purposes, ordinary people using their moral and social instincts have regarded the privileges which existed in the Soviet Union and the other nominally socialist countries as something which has distorted their picture and ideal of socialism.

Marxism has repeatedly raised the question of social equality and attempted to resolve it, in both a practical and theoretical sense. In their estimation of the Paris Commune, Marx and Engels regarded the fact that the wage of an official was not to exceed that of a worker to be of great significance. They regarded this measure as an effective way of preventing the state from being transformed from an instrument which serves society into an institution which stands above society.

Lenin developed this idea in his book The State and Revolution. He wrote that the masses yearned for a government which guaranteed low prices and fair wages and which itself did not consume too much money. Such a government is in principle impossible under capitalism.

Lenin emphasised that in the Second International at that time there was a tendency to pass over these Marxist ideas in silence, treating them as naive conceptions out of sync with the times, rather like those ideologues of Christianity who, following the transformation of the church into a state institution, forgot that Christianity was originally revolutionary.

Shortly after the October Revolution a number of measures were adopted with the aim of reducing the social differences between specific groups. In order to preclude privileges for the functionaries, a so-called party maximum was introduced, i.e., an upper limit for the incomes of party officials. In the 1920s, for example, the following was standard practice: a factory director who was a party member received 300 rubles for his work. The director of a similar factory who was not a party member could expect an income of 500 rubles.

In the 1920s there were workers who for a time occupied the position of town party secretary and then returned to their original place at the work bench. This didn't occur because of any blot on the record of the worker/party secretary. Rather it was a perfectly normal transition.

The situation changed in 1923 when Lenin, as a result of his illness, withdrew from leading positions. Now the emerging bureaucracy worked towards securing definite privileges.

It was no accident that the Left Opposition came into being in 1923 and attracted many of the old Bolsheviks. From the beginning it sounded the alarm regarding the development of bureaucratic methods inside the party and the workers state.

At the time, in the conflict between the ruling faction and the Left Opposition, relatively little was said about the question of privileges. But the social essence of the acute struggle between the two wings can only be understood in connection with the opposing positions taken regarding social equality and justice.

In 1925 a leader of the Opposition, Zinoviev, wrote that the working class strove for more social equality. It was just a brief comment in a long article. Zinoviev was not objecting in principle to the difference in wages for skilled and unskilled work. Stalin, however, concentrated his report to the 14th party conference on this small passage.

He maintained that Zinoviev was rejecting the thesis put forward in the Critique of the Gotha Program, where Marx maintains that in the transitional period between socialism and communism differences with regard to wages would continue to exist. The Opposition, according to Stalin, was attacking the income of the skilled worker as well as the meagre wages of the hard-working peasant. In reality, behind these demagogic words lay the attempt to defend those privileges which the bureaucracy had begun to accumulate.

Looking back, Trotsky remarked that Stalin's supporters, like those of the Left Opposition, belonged to the same social milieu. But the latter consciously broke away from their social interests and defended the interests of the sans-culottes -- the workers and peasants.

Following his victory over the Left Opposition, Stalin introduced decisive changes into the ideology of the ruling party. He put forward the thesis that the main principle of socialism was that everyone should be paid in accordance with his performance. In an attempt to elaborate on the content of this principle, none of the Soviet economic experts were able to explain how it was possible to compare the work of a miner with that of a doctor, the activities of a ballerina with those of a steel worker.
After Stalin's death, despite criticism of his political rule, none of his successors questioned this principle. All of them vigorously opposed what they called "levelling."

In reality the principle of payment for performance is a bourgeois principle. It only has significance when one interprets it in a liberal fashion: everyone is rewarded according to the results of his or her work, and this is realised on the free market in the interaction of supply and demand. It is clear that an immediate consequence of such market economy principles is the growth of inequality. The function of the bourgeois state is precisely to maintain this inequality.

Marx and Lenin predicted that every state arising from a socialist revolution would have a dual character: on the one hand a socialist character which defends socialised property against capitalist restoration, and on the other hand a bourgeois character, in so far as the state is obliged for a period to maintain certain privileges for a minority and preside over inequality. They therefore described the transitional state as a "bourgeois" workers state, even though there would be no bourgeoisie. According to Marxist doctrine this inequality must recede the more society develops in a socialist direction and the state correspondingly begins to wither away.

Since the middle of the 1920s, the situation in the Soviet Union developed in an opposite direction. The ruling bureaucracy excluded the workers from any sort of participation in the distribution of material goods and transformed itself into a powerful caste of those controlling the distribution of these goods. By the mid-1930s the disproportion with regard to inequality and the lack of social justice in the Soviet Union exceeded that which existed in the developed capitalist countries.

When we speak of the privileges in the Soviet Union, we must bear in mind that in the 1920s and 1930s the country was very poor and backward. That is why for us today the privileges at that time can appear inconsequential in comparison with modern-day Germany. But for the consciousness of the ordinary people, they had enormous significance. A new atmosphere developed in society. Whereas in earlier periods wealthier citizens were somewhat ashamed of their wealth, now they were proud of it.

The wife of the well-known Soviet poet Ossip Mandelstam, Nadezhda Mandelstam, wrote in her memoirs: "With us it was often the case that even a piece of bread was reckoned as a privilege." She related the case of a young man in a distribution station where the privileged received special food rations. The young man was eating a piece of beefsteak which had been allocated for his father-in-law and commented: "It tastes so good and pleasant because no one else has it."

Mandelstam added that medicine was also distributed in this way. Better medicine was reserved for the social elite. On one occasion she was admonishing a pensioned functionary when the latter retorted in an astonished voice: "What are you thinking of? Should I be treated like a cleaning woman?" Mandelstam added that this official was in reality a very decent and good-natured man, but that such attitudes had become widespread at the high-point of the struggle against levelling.

In attempting to overcome its isolation, the bureaucracy allowed other sections of the population to share in the privileges: the aristocracy of the working class, the kolkhoz (collective farm) aristocracy and, above all, the top layers of the intelligentsia. The securing of privileges could not be carried through without arousing resistance from a large part of the Communist Party. In this respect Trotsky wrote: "In a country which has undergone the October Revolution, it is not possible to cultivate inequality other than by resorting to ever more severe measures of repression."

Trotsky traced the totalitarian character of the state and its resort to mass terror to the drive of the bureaucracy to secure and retain its privileges. It could not permit social protest to spill over into open forms of class struggle.

Following Stalin's death, the social development of the Soviet Union did not follow a straight line. After the loss of its main lever of totalitarian power, the bureaucracy was forced to make certain concessions to the masses' strivings for equality.

Immediately after Stalin's death, various social reforms and social programs were introduced to improve the situation of the poorly paid and less fortunate layers of the population. In the following decade their standard of living improved, while the situation of the ruling bureaucracy, and also the better-off sections of the intelligentsia, worsened in a relative sense.

The concealed conflict between these layers of the intelligentsia and the bureaucracy, which broke out into the open in the 1960s and '70s, was rooted in this development. The external expression of this conflict was, on the one hand, the dissident movement, and, on the other, emigration.

The source of this conflict was not only the intelligentsia's striving for greater intellectual and spiritual freedom and access to power. It was also a reaction to the loss of privileges and material advantages which this layer had enjoyed under Stalin. As for the bureaucracy, it responded to the loss of privileges with an unprecedented level of corruption.

Despite the general improvement in living standards in the 1960s, one could describe the social conditions with Trotsky's words: although there was no exploitation in the classic sense of the word, the conditions of life for working people in the Soviet Union were still worse than those of workers suffering exploitation in the capitalist countries. Because it did not possess its own forms of property, the bureaucracy did not represent a propertied class in the real sense of the word. Nevertheless, it exhibited all the negative attributes of the previous ruling class.

In the consciousness of the popular masses, the formation of deep-going social differences devalued the great social achievements of the October Revolution -- the socialisation of the means of production and of the land. In the eyes of working people and the peasantry, the bureaucracy brought socialism into disrepute. It drove them, to a certain extent, to seek a solution other than socialism.

Trotsky had shown that the contradiction between the forms of property and the forms of distribution could not continue to develop indefinitely. The contradiction would have to be resolved one way or another. Either the forms of distribution would have to accommodate themselves to the socialist property relations, i.e., they would have to become more egalitarian, or the bourgeois principle would reach beyond distribution and consume the forms of property.

Proceeding from this thesis, Trotsky developed many prognoses which contained two possible variants. The first might be called revolutionary, the second, counter-revolutionary. Unfortunately the second, counter-revolutionary alternative was realised. And it was realised to an astonishing degree in conformity with Trotsky's warnings, albeit with some delay. (If even the most brilliant prognoses were realised to the letter, i.e., exactly as their authors had imagined, then we would be talking about prophecy, and history would have a mystical character.)

As Trotsky had foreseen, the first serious convulsion led to the social antagonisms rising to the surface. In the first years of perestroika, nothing indicated that things would end with the restoration of capitalism. On the contrary, in 1985, '86 and '87 Gorbachev called for more socialism and the restoration of the Leninist vision of Bolshevism.

In this context, it is interesting to note that the only politician of significance who attacked Gorbachev from the left was Yeltsin. As you are all familiar with the present-day politician Yeltsin, it is interesting to hear a few of his political utterances from earlier times.

At the 1986 party conference, Yeltsin enthusiastically and approvingly quoted Lenin's words: "Social inequality destroys democracy, leads to the decay of the party and diminishes the reputation of the party."

Three years later, he posed the rhetorical question in parliament: "Why do millions of people in our society live below the poverty line, while others literally live like lords and wallow in luxury?"
In his book, which appeared in 1991, one can read the following passage: "I cannot eat sturgeon when I know that my neighbours are not even able to buy milk for their children. I am ashamed to use expensive medicine because I know that many of my fellow citizens are not even able to afford aspirin."

And in his election campaign he promised that his policies would, in the first instance, serve the people whose incomes fell below the average. It was only due to this slogan, which appealed to the popular sense of justice, that Yeltsin was able to come to power.

The development of perestroika since 1988 has confirmed that the dismantling of the socialist foundations of society culminated in a capitalist order, or more precisely, in a capitalist chaos. This process has been accompanied by a catastrophic decline of culture and the economy.

The capitalism which is now emerging will not be a new edition of pre-revolutionary Russian capitalism, because the world has moved closer together since 1917. International finance capital is incomparably more powerful. For this reason, Russia's return to a state of semi-colonial exploitation is the only possibility. In achieving this, the forces of capitalist restoration can only realise their aims through years of civil war and the plundering of the country which Soviet power built up.

Conditions in the country over the last five years can be described in a phrase which has become quite popular in Russia of late, "creeping civil war." This creeping civil war discharges itself from time to time in a shooting war, for example with the bombarding of parliament in 1993, or the war in Chechnya which cannot be brought to an end, despite all the promises emanating from ruling circles.

As far as the country's devastation is concerned, history has never witnessed such destruction of the productive forces in peacetime as has taken place in Russia and the other former republics of the USSR over the last five years. A certain continuity between the earlier and present regimes can be observed. One could say that the present regime has taken over the bad sides of the former Soviet regime and has multiplied the evil with the addition of the bad sides of capitalist society.

Trotsky said: "The secret income of the bureaucracy is nothing other than theft, and outside this relatively legal theft exists an illegal ultra-theft to which Stalin -- and today Yeltsin -- 'closes his eyes because these thieves are his closest social support.' The ruling bureaucracy cannot react in any other way than to resort to systematic thievery. This creates a system of bureaucratic gangsterism.

When one considers the tragic fate of our country, one can justifiably say that the October Revolution brought much more for the workers in other countries than for the workers of the Soviet Union. The challenge of socialism forced the capitalist countries to make quite large social concessions to their working classes. The intervention of the state into the relations of production, distribution and exchange in order to resolve social problems is a general law of this century which present day capitalism still has to take into account.

In all the capitalist countries in the second half of the 20th century there was a certain limitation of capitalist freedom. This included, for example, a minimum wage and other guarantees for working people in the advanced capitalist countries. Over decades an active redistribution took place: on one side, the development of social programs for those possessing little, on the other side, a strict control over income, and based on this a strict taxation policy. These measures not only influenced the social situation, but also the economic. They increased demand in the population and were a countervailing tendency to overproduction in the developed capitalist countries.

However, capitalism has still not been able to abolish social inequality. This inequality can be seen in every country, and also between developed and less developed countries -- in the current terminology, between North and South.

It is important to note that the break-up of the Soviet Union into a series of second-rate states has presaged the destruction of the welfare state in the advanced capitalist countries. The attempt is being made to eliminate social gains which were achieved over decades.

At the same time, I would like to stress that until now no real socialist path has been attempted in any country which called itself socialist. The socialist alternative, which was developed by the Left Opposition in the 1920s and '30s, consists in containing inequality by strict economic measures and, with the increasing development of society, ensuring that the different social groups become more and more equal.

As long as the contradiction between the privileged and the poor exists in the world, the basis remains for the development of new social and political movements. The success of these movements will depend on the degree to which they draw lessons from the negative and positive experiences of socialist construction.