

Twenty years since the dissolution of the USSR

# The capitalist crisis and the radicalization of the working class in 2012

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*Below is the report given by David North, chairman of the International Editorial Board of the World Socialist Web Site and national chairman of the Socialist Equality Party of the United States, to a series of regional aggregate meetings of the SEP held during the month of January.*

We have just completed a year that witnessed extraordinary events throughout the world. 2011 will be remembered in history as the year that saw a resurgence of class struggle on an international scale. Just one year ago, mass protests brought down the dictatorship in Tunisia. The collapse of the Ben Ali regime was followed almost immediately by the social eruption in Egypt that brought about, within a matter of weeks, the removal of Hosni Mubarak. The *World Socialist Web Site* correctly assessed the historic significance of the struggle that was unfolding in Cairo's Tahrir Square. In a perspective column published on February 1, the WSWS stated: "History has returned with a vengeance. What is presently unfolding in Cairo and throughout Egypt is revolution, the real thing."

The WSWS did not underestimate the challenges that confronted the Egyptian working class, nor did we anticipate an easy victory over the bourgeoisie, whatever the fate of Mubarak himself. We wrote:

This revolution is only in its early stages. The class forces unleashed by the explosion are only beginning to define themselves in terms of distinct demands. Programs have hardly been formulated. Emerging from decades of repression, the working class has not yet formulated its own program. In these opening moments of the unfolding struggle, it could not be otherwise... As always in the opening stages of a revolutionary convulsion, the slogans that predominate are of a generally democratic character. The ruling elites, fearing the approach of the abyss, seek desperately to maintain what they can of the old order. Promises of "reform" slip easily from their lips. The upper layers of society desire change only to the extent that it does not threaten their wealth and social status. They ardently call for the "unity" of all democratic forces—under the political control, of course, of the representatives of the capitalist class.

Nearly a quarter century ago, the International Committee of the Fourth International (ICFI) predicted that the next period of revolutionary struggles would rapidly assume international dimensions. Applying this insight to developments unfolding in Egypt, the WSWS stated:

Throughout the world, social inequality has reached staggering

proportions. Indeed, according to some reports, income inequality in the United States is greater than that which exists in Egypt and Tunisia. Moreover, throughout Europe and the United States, governments are demanding and implementing massive cuts in social expenditures. Ever-wider sections of the working class are falling into poverty.

The political regimes that exist in the advanced capitalist countries—though doubtless equipped with more sophisticated propaganda agencies—are as ossified and impervious to the discontent of the broad masses as the Egyptian government...

What is unfolding in the streets of Cairo, Alexandria and throughout the country is of world historical significance. The events in Egypt reveal the form that social change will take in every country, including the most advanced. We are witnessing in this ancient land the first stirrings of a new epoch of world socialist revolution.

This perspective was confirmed as social conflict erupted throughout the globe. Within weeks of Mubarak's ouster, mass protests began in Wisconsin against the attacks of the Walker administration on the basic rights of workers. In Europe, mass protests against severe cuts in social spending demanded by the European Central Bank occurred in Spain and Greece. Hundreds of thousands of Israelis demonstrated against deplorable social conditions. Substantial protests have occurred in China and Russia. The Occupy Wall Street movement is the first significant popular movement against social inequality in the United States in more than a generation.

The WSWS has not taken an uncritical attitude toward the movements that emerged in 2011. First of all, it must be recognized that none of these movements base themselves on a socialist, let alone Marxist, program. The petty-bourgeois parties, referred to by the WSWS as the "pseudo-left," work relentlessly to prevent any movement of the working class from challenging bourgeois rule. In Egypt, the petty-bourgeois Revolutionary Socialists (who are neither socialist nor revolutionary) have sought to sow illusions in both the military and the Muslim Brotherhood. The same treacherous process is to be observed in Greece and Spain, where the mass demonstrations of workers and youth are kept within the framework of bourgeois politics by the pseudo-left organizations, such as SYRIZA and ANTARSYA in Greece and Izquierda Anticapitalista in Spain.

The protests in the United States have not yet involved significant sections of the working class. They remain a predominantly student-based movement. The political forces that dominate these protests—who conceal their own politics under the banner of "No Politics"—represent sections of

the middle class who are dissatisfied with the distribution of wealth within the top 10 percent of the population. They seek an improvement in their financial position and social status.

However, the movement has attracted substantial popular support. Most of those who have participated in various protests are entirely sincere in their opposition to prevailing social inequality. It would be a serious mistake, on account of the petty-bourgeois and reformist politics of the movement's leadership, to dismiss the protests. They are a manifestation of growing popular anger. Throughout the country, workers and young people have seen the protests as a long-overdue response to the concentration of wealth within a small percentile of the population, the criminal parasitism of the financial institutions, the abuses of corporate power, and the relentless deterioration of the living standards of the overwhelming majority of Americans. As the WSWS explained in the first perspective column of the new year:

Amidst economic crisis, plunging living standards, widening social inequality, state lawlessness, ecological catastrophes and the ever-growing threat of a new world war there is an emerging mass consensus that capitalism has failed. The growth of social struggles, which have already involved tens of millions across the globe, signifies that the objective crisis of capitalism is becoming internalized in the subjective consciousness of the basic revolutionary force on this planet, the international working class.

For the ruling class within the United States and throughout the world, the events of 2011 are deeply unsettling. There is a widespread sense that the protests of the past year will continue and become more intense in 2012. Writing in the *Financial Times*, Moisés Naím wrote earlier this month: "Inequality will be the central theme of 2012... In 2012, peaceful coexistence with inequality will end and demands and promises to fight it will become fiercer and more widespread than they have been since the end of the cold war." Another comment in the *Financial Times*, by Anne-Marie Slaughter ? warned: "The big issue of 2012 will be more of the same: rolling protests across multiple countries will morph into revolutions in many."

Acknowledging the significance of the social movement that erupted in 2011, *Time* magazine named "The Protester" as its "Person of the Year." It sees in the events of the past year the end of a long period of social and political apathy that followed the dissolution of the Soviet Union in 1991, an event that was celebrated by Francis Fukuyama as "The End of History." During the years that followed, writes *Time*, "Credit was easy, complacency and apathy were rife, and street protests looked like pointless emotional sideshows—obsolete, quaint, the equivalent of cavalry to mid-20th-century war. The rare demonstrations in the rich world seemed ineffectual and irrelevant."

But the long period of social and political stagnation has come suddenly to an end. As *Time* writes:

In short, 2011 was unlike any year since 1989—but more extraordinary, more global, more democratic, since in '89 the regime disintegrations were all the result of a single disintegration at headquarters, one big switch pulled in Moscow that cut off the power throughout the system. So 2011 was unlike any year since 1968—but more consequential because more protesters have more skin in the game. Their protests weren't part of a countercultural pageant, as in '68, and rapidly morphed into full-fledged rebellions, bringing down regimes and immediately changing the course of history. It was, in other words, unlike anything in any of

our lifetimes, probably unlike any year since 1848, when one street protest in Paris blossomed into a three-day revolution that turned a monarchy into a republican democracy and then—within weeks, thanks in part to the new technologies (telegraphy, railroads, rotary printing presses)—inspired an unstoppable cascade of protest and insurrection in Munich, Berlin, Vienna, Milan, Venice and dozens of other places across Europe.

*Time's* comparison of the events of 2011 to those of 1848 and 1968 is simplistic and cannot withstand serious historical, political and social analysis. The political and social dynamics of the earlier movements were far different. This is not the place to review the events of those years, but the role of the working class in the earlier struggles was on a far vaster scale. In 1848, in particular, the struggle of the working class assumed an insurrectionary and directly revolutionary character. The struggles of that year witnessed the emergence of the proletariat and socialism as a major force. And 1968 was not merely a "countercultural pageant." A massive general strike that posed the question of working-class power occurred in France. In that struggle, a substantial section of the working class was inspired by socialist convictions. The survival of capitalism depended on the consciously counterrevolutionary policies pursued by the Stalinist French Communist Party.

However, the article in *Time*—to the extent that it provides an insight into the response of the ruling class to the events of 2011—is significant. *Time's* focus is almost entirely on the element of middle-class discontent that provided the protests of the past year with their particular political coloration. It is most interested in the "middle class and educated" segment of what *Time* refers to as the "protest vanguards." Underlying this focus is a serious concern that the ruling elites—consisting of the super-rich 0.1 and .01 percentiles of the population—have unwisely isolated themselves. The massive concentration of wealth has alienated important segments of the middle class that are increasingly aware of and dissatisfied with the chasm—in terms of wealth, opportunity, influence and prestige—that separates them from the super-rich. As a result, they have come to "share a belief that their countries' political systems and economies have grown dysfunctional and corrupt—sham democracies rigged to favor the rich and powerful and prevent significant social change."

This discontent is the byproduct of the economic collapse of 2008. "During the bubble years," writes *Time*, "there was enough money trickling down to keep them happyish, but now the unending financial crisis and economic stagnation make them feel like suckers."

For *Time*, the events of 2011 are seen as a wake-up call. The ruling elites should be aware of the danger that may arise from their own social isolation. Though the word "socialism" does not appear once in its article (and there is but one fleeting reference to the "working class"), *Time* notes that "the Nexus news-media database now registers almost 500 mentions of 'inequality' each week; the week before Occupy Wall Street started, there were only 91."

Beyond the more or less privileged sections of the middle class, dissatisfied with the distribution of wealth within the top 10 percent, there is the vast mass of working people, whose conditions of life are undergoing an immense and unrelenting deterioration. An improvement in their conditions of life is impossible without entering into open struggle against the capitalist system, with all the revolutionary implications that such a struggle entails. 2012 will see the intervention of ever-broader sections of the working class into such struggles. Among the most critical tasks that confront our party is to develop within the working class a consciousness of its own distinct social and political interests, and to introduce into these struggles a socialist orientation. The SEP must seek to develop among workers and youth the understanding that their struggles

within the United States are an integral part of an international class struggle, and that the struggle against the American ruling class must be based on an international socialist strategy.

## Twenty years since the end of the USSR

The problems of political orientation and consciousness cannot be overcome without understanding the world historical context that plays so profound a role in the development of the working class as an international revolutionary force.

The struggles that erupted in 2011 have brought to an end a 20-year period of political stagnation that can be traced back to the dissolution of the USSR on December 25, 1991, when the flag of the Soviet Union was pulled down from the Kremlin. That event, the outcome of decades of Stalinist treachery, had an immensely disorienting impact on the working class. The end of the USSR unleashed an eruption of bourgeois triumphalism, which proclaimed that this event represented the unanswerable refutation of Marxism and the end of socialism. The essential foundation of these claims was the identification of Marxism and socialism with Stalinism.

Since its founding under the leadership of Leon Trotsky in 1938, the Fourth International had condemned the Stalinist bureaucracy as the gravedigger of the Soviet Union. Its founding program warned that the bureaucracy, unless overthrown by the working class in a political revolution, would function ever more openly as the instrument of capitalist restoration. In the aftermath of the Soviet victory over Nazi Germany, there emerged revisionist tendencies in the Fourth International who fell into line behind sections of the petty-bourgeoisie that sought to construct some form of left reformist or radical nationalist counterweight to imperialism through an alliance with the Kremlin and its puppet parties. The Pabloite revisionists sought to justify their betrayal of Trotsky's revolutionary program by proclaiming that socialism would be achieved within the Soviet Union and internationally under the leadership of the Stalinists, albeit in a process spanning centuries.

It is difficult today to appreciate the awe that the apparent power of the Stalinist regime inspired in the Pabloites and the left petty-bourgeois political formations in general. Nothing seemed to them more permanent and unshakeable than the Kremlin regime. The various state capitalist tendencies—i.e., the middle-class organizations that proclaimed that the Soviet bureaucracy represented, not a parasitic caste as Trotsky had maintained, but a new ruling class—participated in this glorification of Stalinist power. Nothing seemed more absurd to them than Trotsky's prediction that the Stalinist regime, unless overthrown by the working class, would lead to the ruin of the Soviet Union.

By the 1980s, skepticism toward Trotsky's analysis had become rife within the leadership of the Workers Revolutionary Party, which was at that time the British section of the International Committee. I recall a discussion in 1983 in which, to my amazement, Mike Banda, the general secretary of the WRP, told me that Trotsky's warning was wrong. The eternal survival of the USSR was a historically "settled question." But didn't this mean, I asked Banda, that the analysis of Stalinism upon which Trotsky had based the decision to found the Fourth International was wrong? Banda offered an evasive reply to my question. But within less than three years, Banda was to repudiate Trotsky, denounce the Fourth International, and proclaim his admiration for Stalin.

When Gorbachev assumed the position of general secretary in March 1985, the revisionists were eager to proclaim him the new socialist messiah. They greeted his policies of glasnost and perestroika with rapture. Not one of these tendencies made any attempt to subject

Gorbachev's socioeconomic and political program to even the slightest critical scrutiny. Ernest Mandel, the leading Pabloite theoretician, hailed Gorbachev as the greatest living politician and denounced "the ridiculous theory that the Soviet leader is trying to reintroduce capitalism into the Soviet Union." [Ernest Mandel, *Beyond Perestroika*, Verso Books, 1989, p. 129]

The "ridiculous theory" denounced by Mandel was that which had been advanced by the International Committee of the Fourth International. In March 1987, the International Committee published a detailed analysis of the policies of the Gorbachev regime, entitled "What is Happening in the USSR?" in which it warned that the new policies introduced by the Kremlin were aimed at the destruction of the property forms established on the basis of the 1917 October Revolution. The statement declared:

Under conditions in which the Soviet economy is increasingly affected by the crisis of Western capitalism, Gorbachev's reforms are undermining the foundations of the planned economy. By allowing 20 ministries and 70 state enterprises to establish their own trade relations with capitalist countries and companies and to keep 40 percent of the foreign currency for themselves, Gorbachev—for the first time since Lenin and Trotsky defeated Stalin's attempt to open a connection between the NEP-men and the world market—is undermining the state monopoly of foreign trade. At the same time he is initiating a process of capitalist accumulation, which will seriously undermine the nationalized property relations. [Statement of the ICFI, March 23, 1987, *Fourth International*, June 1987, p. 38]

This analysis has been vindicated by scholarly investigations into the causes of the Soviet economic collapse that facilitated the bureaucracy's dissolution of the USSR. In *Russia Since 1980*, published in 2008 by Cambridge University Press, Professors Steven Rosefielde and Stefan Hedlund present evidence that Gorbachev introduced measures that appear, in retrospect, to have been aimed at sabotaging the Soviet economy. "Gorbachev and his entourage," they write, "seem to have had a venal hidden agenda that caused things to get out of hand quickly." [p. 38] In a devastating appraisal of Gorbachev's policies, Rosefielde and Hedlund state:

History reveals that the grandsons of the Bolshevik coup d'état didn't destroy the Soviet Union in a valiant effort to advance the cause of communist prosperity or even to return to their common European home; instead, it transformed Soviet managers and ministers into roving bandits (asset-grabbing privateers) with a tacit presidential charter to privatize the people's assets and revenues to themselves under the new Muscovite rule of men. [p. 40]

Instead of displaying due diligence over personal use of state revenues, materials and property, inculcated in every Bolshevik since 1917, Gorbachev winked at a counterrevolution from below opening Pandora's Box. He allowed enterprises and others not only to profit maximize for the state in various ways, which was beneficial, but also to misappropriate state assets, and export the proceeds abroad. In the process, red directors disregarded state contracts and obligations, disorganizing inter-industrial intermediate input flows, and triggering a depression from which the Soviet Union never recovered and Russia has barely emerged. [p. 47]

Given all the heated debates that would later ensue about how

Yeltsin and his shock therapy engendered mass plunder, it should be noted that the looting began under Gorbachev's watch. It was his malign neglect that transformed the rhetoric of Market Communism into the pillage of the nation's assets.

The scale of this plunder was astounding. It not only bankrupted the Soviet Union, forcing Russian President Boris Yeltsin to appeal to the G-7 for \$6 billion of assistance on December 6, 1991, but triggered a free fall in aggregate production commencing in 1990, aptly known as *catastroika*.

In retrospect, the Soviet economy didn't collapse because the liberalized command economy devised after 1953 was marked for death. The system was inefficient, corrupt and reprehensible in a myriad of ways, but sustainable, as the CIA and most Sovietologists maintained. It was destroyed by Gorbachev's tolerance and complicity in allowing privateers to misappropriate state revenues, pilfer materials, spontaneously privatize, and hotwire their ill-gotten gains abroad, all of which disorganized production. [p. 49]

The analysis of Rosefielde and Hedlund, while accurate in its assessment of Gorbachev's actions, is simplistic. Gorbachev's policies can be understood only within the framework of more fundamental political and socioeconomic factors. First, and most important, the real objective crisis of the Soviet economy (which existed and preceded by many decades the accession of Gorbachev to power) developed out of the contradictions of the autarkic nationalist policies pursued by the Soviet regime since Stalin and Bukharin introduced the program of "socialism in one country" in 1924. The rapid growth and increasing complexity of the Soviet economy required access to the resources of the world economy. This access could be achieved only in one of two ways: either through the spread of socialist revolution into the advanced capitalist countries, or through the counterrevolutionary integration of the USSR into the economic structures of world capitalism.

For the Soviet bureaucracy, a parasitic social caste committed to the defense of its privileges and terrified of the working class, the revolutionary solution to the contradictions of the Soviet economy was absolutely unthinkable. The only course that it could contemplate was the second—capitulation to imperialism. This second course, moreover, opened for the leading sections of the bureaucracy the possibility of permanently securing their privileges and vastly expanding their wealth. The privileged caste would become a ruling class. The corruption of Gorbachev, Yeltsin and their associates was merely the necessary means employed by the bureaucracy to achieve this utterly reactionary and immensely destructive outcome.

On October 3, 1991, less than three months before the dissolution of the USSR, I delivered a lecture in Kiev in which I challenged the argument—which was widely propagated by the Stalinist regime—that the restoration of capitalism would bring immense benefits to the people. I stated:

In this country, capitalist restoration can only take place on the basis of the widespread destruction of the already existing productive forces and the social- cultural institutions that depended upon them. *In other words, the integration of the USSR into the structure of the world capitalist economy on a capitalist basis means not the slow development of a backward national economy, but the rapid destruction of one which has sustained living conditions which are, at least for the working class, far closer to those that exist in the advanced countries than in the third world.* When one examines the various schemes hatched by

proponents of capitalist restoration, one cannot but conclude that they are no less ignorant than Stalin of the real workings of the world capitalist economy. And they are preparing the ground for a social tragedy that will eclipse that produced by the pragmatic and nationalistic policies of Stalin. ["Soviet Union at the Crossroads," published in *The Fourth International* (Fall- Winter 1992, Volume 19, No. 1, p. 109), Emphasis in the original.]

Almost exactly 20 years ago, on January 4, 1992, the Workers League held a party membership meeting in Detroit to consider the historical, political and social implications of the dissolution of the USSR. Rereading this report so many years later, I believe that it has stood the test of time. It stated that the dissolution of the USSR "represents the juridical liquidation of the workers' state and its replacement with regimes that are openly and unequivocally devoted to the destruction of the remnants of the national economy and the planning system that issued from the October Revolution. To define the CIS [Confederation of Independent States] or its independent republics as workers states would be to completely separate the definition from the concrete content which it expressed during the previous period." [David North, *The End of the USSR*, Labor Publications, 1992, p. 6]

The report continued:

"A revolutionary party must face reality and state what is. The Soviet working class has suffered a serious defeat. The bureaucracy has devoured the workers state before the working class was able to clean out the bureaucracy. This fact, however unpleasant, does not refute the perspective of the Fourth International. Since it was founded in 1938, our movement has repeatedly said that if the working class was not able to destroy this bureaucracy, then the Soviet Union would suffer a shipwreck. Trotsky did not call for political revolution as some sort of exaggerated response to this or that act of bureaucratic malfeasance. He said that a political revolution was necessary because only in that way could the Soviet Union, as a workers state, be defended against imperialism." [p. 6]

I sought to explain why the Soviet working class had failed to rise up in opposition to the bureaucracy's liquidation of the Soviet Union. How was it possible that the destruction of the Soviet Union—having survived the horrors of the Nazi invasion—could be carried out "by a miserable group of petty gangsters, acting in the interests of the scum of Soviet society?" I offered the following answer:

We must reply to these questions by stressing the implications of the massive destruction of revolutionary cadre carried out within the Soviet Union by the Stalinist regime. Virtually all the human representatives of the revolutionary tradition who consciously prepared and led that revolution were wiped out. And along with the political leaders of the revolution, the most creative representatives of the intelligentsia who had flourished in the early years of the Soviet state were also annihilated or terrorized into silence.

Furthermore, we must point to the deep-going alienation of the working class itself from state property. Property belonged to the state, but the state "belonged" to the bureaucracy, as Trotsky noted. The fundamental distinction between state property and bourgeois property—however important from a theoretical standpoint—became less and less relevant from a practical

standpoint. It is true that capitalist exploitation did not exist in the scientific sense of the term, but that did not alter the fact that the day-to-day conditions of life in factories and mines and other workplaces were as miserable as are to be found in any of the advanced capitalist countries, and, in many cases, far worse.

Finally, we must consider the consequences of the protracted decay of the international socialist movement...

Especially during the past decade, the collapse of effective working class resistance in any part of the world to the bourgeois offensive had a demoralizing effect on Soviet workers. Capitalism assumed an aura of "invincibility," although this aura was merely the illusory reflection of the spinelessness of the labor bureaucracies all over the world, which have on every occasion betrayed the workers and capitulated to the bourgeoisie. What the Soviet workers saw was not the bitter resistance of sections of workers to the international offensive of capital, but defeats and their consequences. [p. 13-14]

The report related the destruction of the USSR by the ruling bureaucracy to a broader international phenomenon. The smashing up of the USSR was mirrored in the United States by the destruction of the trade unions as even partial instruments of working-class defense.

In every part of the world, including the advanced countries, the workers are discovering that their own parties and their own trade union organizations are engaged in the related task of systematically lowering and impoverishing the working class. [p. 22]

Finally, the report dismissed any notion that the dissolution of the USSR signified a new era of progressive capitalist development.

Millions of people are going to see imperialism for what it really is. The democratic mask is going to be torn off. The idea that imperialism is compatible with peace is going to be exposed. The very elements which drove masses into revolutionary struggle in the past are once again present. The workers of Russia and the Ukraine are going to be reminded why they made a revolution in the first place. The American workers are going to be reminded why they themselves in an earlier period engaged in the most massive struggles against the corporations. The workers of Europe are going to be reminded why their continent was the birthplace of socialism and Karl Marx. [p. 25]

### **The aftermath of the dissolution of the USSR: 20 years of economic crisis, social decay, and political reaction**

According to liberal theory, the dissolution of the Soviet Union ought to have produced a new flowering of democracy. Of course, nothing of the sort occurred—not in the former USSR or, for that matter, in the United States. Moreover, the breakup of the Soviet Union—the so-called defeat of communism—was not followed by a triumphant resurgence of its irreconcilable enemies in the international workers' movement, the social democratic and reformist trade unions and political parties. The opposite occurred. All these organizations experienced, in the aftermath of the

breakup of the USSR, a devastating and even terminal crisis. In the United States, the trade union movement—whose principal preoccupation during the entire Cold War had been the defeat of Communism—has all but collapsed. During the two decades that followed the collapse of the Soviet Union, the AFL-CIO lost a substantial portion of its membership, was reduced to a state of utter impotence, and ceased to exist as a workers' organization in any socially significant sense of the term. At the same time, everywhere in the world, the social position of the working class—from the standpoint of its influence on the direction of state policy and its ability to increase its share of the surplus value produced by its own labor—deteriorated dramatically.

Certain important conclusions flow from this fact. First, the breakup of the Soviet Union did not flow from the supposed failure of Marxism and socialism. If that had been the case, the anti-Marxist and antisocialist labor organizations should have thrived in the post-Soviet era. The fact that these organizations experienced ignominious failure compels one to uncover the common feature in the program and orientation of all the so-called labor organizations, "communist" and anticommunist alike. What was the common element in the political DNA of all these organization? The answer is that regardless of their names, conflicting political alignments and superficial ideological differences, the large labor organizations of the post-World War II period pursued essentially nationalist policies. They tied the fate of the working class to one or another nation-state. This left them incapable of responding to the increasing integration of the world economy. The emergence of transnational corporations and the associated phenomena of capitalist globalization shattered all labor organizations that based themselves on a nationalist program.

The second conclusion is that the improvement of conditions of the international working class was linked, to one degree or another, to the existence of the Soviet Union. Despite the treachery and crimes of the Stalinist bureaucracy, the existence of the USSR, a state that arose on the basis of a socialist revolution, imposed upon American and European imperialism certain political and social restraints that would otherwise have been unacceptable. The political environment of the past two decades—characterized by unrestrained imperialist militarism, the violations of international law, and the repudiation of essential principles of bourgeois democracy—is the direct outcome of the dissolution of the Soviet Union.

The breakup of the USSR was, for the great masses of its former citizens, an unmitigated disaster. Twenty years after the October Revolution, despite all the political crimes of the Stalinist regime, the new property relations established in the aftermath of the October Revolution made possible an extraordinary social transformation of backward Russia. And even after suffering horrifying losses during the four years of war with Nazi Germany, the Soviet Union experienced in the 20 years that followed the war a stupendous growth of its economy, which was accompanied by advances in science and culture that astonished the entire world.

But what is the verdict on the post-Soviet experience of the Russian people? First and foremost, the dissolution of the USSR set into motion a demographic catastrophe. Ten years after the breakup of the Soviet Union, the Russian population was shrinking at an annual rate of 750,000. Between 1983 and 2001, the number of annual births dropped by one half. 75 percent of pregnant women in Russia suffered some form of illness that endangered their unborn child. Only one quarter of infants were born healthy.

The overall health of the Russian people deteriorated dramatically after the restoration of capitalism. There was a staggering rise in alcoholism, heart disease, cancer and sexually transmitted diseases. All this occurred against the backdrop of a catastrophic breakdown of the economy of the former USSR and a dramatic rise in mass poverty.

As for democracy, the post-Soviet system was consolidated on the basis of mass murder. For more than 70 years, the Bolshevik regime's dissolution of the Constituent Assembly in January 1918—an event that did not entail the loss of a single life—was trumpeted as an unforgettable and unforgivable violation of democratic principles. But in October 1993, having lost a majority in the popularly elected parliament, the Yeltsin regime ordered the bombardment of the White House—the seat of the Russian parliament—located in the middle of Moscow. Estimates of the number of people who were killed in the military assault run as high as 2,000. On the basis of this carnage, the Yeltsin regime was effectively transformed into a dictatorship, based on the military and security forces. The regime of Putin-Medvedev continues along the same dictatorial lines. The assault on the White House was supported by the Clinton administration. Unlike the dissolution of the Constituent Assembly, the bombardment of the Russian parliament is an event that has been all but forgotten.

What is there to be said of post-Soviet Russian culture? As always, there are talented people who do their best to produce serious work. But the general picture is one of desolation. The words that have emerged from the breakup of the USSR and that define modern Russian culture, or what is left of it, are “mafia,” “businessman” and “oligarch.”

What has occurred in Russia is only an extreme expression of a social and cultural breakdown that is to be observed in all capitalist countries. Can it even be said with certainty that the economic system devised in Russia is more corrupt than that which exists in Britain or the United States? The Russian oligarchs are probably cruder and more vulgar in the methods they employ. However, the argument could be plausibly made that their methods of plunder are less efficient than those employed by their counterparts in the summits of American finance. After all, the American financial oligarchs, whose speculative operations brought about the near-collapse of the US and global economy in the autumn of 2008, were able to orchestrate, within a matter of days, the transfer of the full burden of their losses to the public.

It is undoubtedly true that the dissolution of the USSR at the end of 1991 opened up endless opportunities for the use of American power—in the Balkans, the Middle East and Central Asia. But the eruption of American militarism was, in the final analysis, the expression of a more profound and historically significant tendency—the long-term decline of the economic position of American capitalism. This tendency was not reversed by the breakup of the USSR. The history of American capitalism during the past two decades has been one of decay. The brief episodes of economic growth have been based on reckless and unsustainable speculation. The Clinton boom of the 1990s was fueled by the “irrational exuberance” of Wall Street speculation, the so-called dot.com bubble. The great corporate icons of the decade—of which Enron was the shining symbol—were assigned staggering valuations on the basis of thoroughly criminal operations. It all collapsed in 2000-2001. The subsequent revival was fueled by frenzied speculation in housing. And, finally, the collapse in 2008, from which there has been no recovery.

When historians begin to recover from their intellectual stupor, they will see the collapse of the USSR and the protracted decline of American capitalism as interrelated episodes of a global crisis, arising from the inability to develop the massive productive forces developed by mankind on the basis of private ownership of the means of production and within the framework of the nation-state system.

### **The International Committee and the perspective of world socialist revolution**

In periods of political reaction, the level of social thought declines precipitously. There is a general renunciation of principles. Intellectuals, confused and disoriented by the change in the political winds, seem to lose the capacity for rational, let alone systematic, thought. They feel an almost irresistible urge to conform and ingratiate themselves with official “public opinion.” All these shameful tendencies are reinforced by the realization that conformity may prove to be financially lucrative and that, conversely, dissent may carry a serious price.

The collapse of the Soviet Union was followed by a more or less universal renunciation by left intellectuals of Marxism and the perspective of international socialism. As they repudiated their own past association with Marxism, they hastened to deride the revolutionary upheavals of the twentieth century as a frightful mistake. Professor Eric Hobsbawm, longtime member of the British Communist Party and apologist for Stalinism, declared that the dissolution of the USSR in 1991 had brought the “short” twentieth century (which, he claimed, had begun in 1914) to a conclusion. This concept of the “short twentieth century” was, in essence, an echo of Fukuyama's “End of History.” Now that the riot of wars and revolutions had come to an end, everyone could become a self-satisfied liberal.

The revision of history was part of a broader process of intellectual reaction associated with the dominance of postmodernism and related schools of antimaterialist philosophical irrationalism. The intellectual breakdown expressed not simply personal demoralization in the wake of political defeats, though demoralization played a definite role in the post-Soviet repudiation of Marxism by so many academics and intellectuals. At a more profound level, the renunciation of Marxism reflected an objective process of social differentiation. The more affluent social strata of the middle class—from which intellectuals were drawn and for whom they spoke—were increasingly alienated from the working class. The break of the intellectuals from Marxism and socialism reflected their material connections and shared interests with the ruling elite. This was the essential foundation of the political integration of innumerable “left” tendencies, within the United States and internationally, into the structure of bourgeois politics.

The development of the ICFI has proceeded through a process of struggle against all these retrograde social, political and intellectual tendencies. That the ICFI resisted all the tendencies to capitulation in the aftermath of the dissolution of the USSR was not an accident. That resistance was the outcome of the struggle that had been waged over the previous 10 years, dating back to 1982, against the political capitulation of the Workers Revolutionary Party. And, looking deeper into history, the fight against the WRP developed out of the previous decade's struggle within the Workers League [the predecessor of the Socialist Equality Party] against the opportunism of Tim Wohlforth and against the SWP of Joseph Hansen. That long history of struggle, which renewed the links between the ICFI and its Trotskyist heritage, had made it possible for the International Committee to elaborate a world revolutionary perspective which correctly analyzed the major features of the developing global crisis and prepared the movement for the immense changes set into motion by the breakup of the USSR.

In examining the evolution of the ICFI over the past 20 years, certain key “moments” in its development should be stressed.

- In March 1992, at its 12th Plenum, the ICFI emphasized the significance of a specific and highly conscious struggle to rebuild an international socialist culture within the working class. Within this context, the ICFI developed over the next twenty years significant work on questions of art.

- In February 1993, the International Committee began its close intellectual collaboration with the late Vadim Rogovin and launched an international counteroffensive against what it identified as “The Post-Soviet School of Historical Falsification.” The defense of the historical

record of the October Revolution and, in particular, the role of Leon Trotsky has been a major component of the work of the ICFI for the past two decades. Between 2007 and 2010, the ICFI published detailed refutations and exposures of the attacks on Trotsky by the reactionary historians Ian Thatcher, Geoffrey Swain and Robert Service. These writings were published under the title *In Defense of Leon Trotsky*.

- In June 1995, the Workers League began its transformation into the Socialist Equality Party, a political process that was concurred with and adopted by all the sections of the ICFI.

- In February 1997, work was begun to establish the *World Socialist Web Site*, which was officially launched in February 1998.

- (5) In March 2003, the first national public conference of the Socialist Equality Party and *World Socialist Web Site* was held. This event marked the beginning of a substantial growth of the Socialist Equality Party.

- During the years that followed, as the membership of the SEP grew, the party developed its offensive against the reactionary philosophical underpinnings of petty-bourgeois radicalism. Of particular importance in this regard was the publication of *Marxism, History and Socialist Consciousness*.

- In August 2008, the Socialist Equality Party in the United States held its founding congress, at which it adopted *The Historical and International Foundations of the Socialist Equality Party*. Over the next three years, sections of the ICFI in Australia, Germany, Britain and Sri Lanka also held founding congresses.

- In August 2010, at its first biannual national congress, the SEP adopted a political program upon which to base its expanding struggles in the working class.

There is a memorable passage from *Macbeth*, which is cited by the late Leopold Haimson in the introduction to his important historical work *Russian Marxists and the Origins of Bolshevism*: “If you can look into the seeds of time, and say which grain will grow and which will not.”

The seeds planted by the Workers League and the ICFI many years ago have grown, nourished by the past four decades of intense theoretical, political and practical work. A genuine international Trotskyist tendency, emerging from these seeds, embodies the entire historical continuity of Marxism.

The task that we face in 2012 is to intervene in the expanding social struggles and win the best forces among workers and youth to the fight for socialism.



To contact the WSWs and the  
Socialist Equality Party visit:

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