The Myth of Twentieth Century Socialism
And the Continuing Relevance of Karl Marx

To-day there is a curious convergence of views between the Right and the dominant Left on the meaning of socialism. Put more concretely, for both the Right and the dominant Left socialism refers to the system which came into being as a sequel to the conquest of political power by the Bolsheviks in Russia, 1917, and this system signifies a society governed by a single political party—basically the communist party—and where means of production are owned predominantly by the state, and the economy is directed by central planning. The two most important points stressed by both the sides for this socialism are the existence of a single central authority exercising political power and the institution of ‘public property’—signifying the substitution of private property in the means of production predominantly by the state property. Needless to add, the Right looks at this ‘socialism’ negatively while the (dominant) Left considers this ‘socialism’ positively. Both these tendencies, again, assert the origin of this socialism in the ideas of Marx. Now that this socialism has almost evaporated, two kinds of responsibility have been attributed to Marx involving two kinds of criticism of Marx in regard to this socialism. First, it is held, since the inspiration for this system
supposedly came from Marx, and, consequently, since Marx is thought to be responsible for its creation, its disappearance only shows the failure of Marx’s ideas. Similarly, under the same assumption that this socialism was Marx’s brain child, a contrary charge is directed against him. Here the point is stressed that the horrible reality of this system in practice shown, above all, in its relation to human individuals only demonstrates that (Marxian) socialism by nature is repressive, that is, it is an inhuman regime. The second kind of responsibility attributed to Marx and, consequently, the second kind of criticism of Marx is very different. It involves Marx’s prognostication of the future after capitalism. The affirmation is made that what Marx had envisaged for the future, that capitalism undermined by its own inner contradictions would go out of existence yielding place to a new, infinitely more humane society-socialism-has been proved wrong. Capitalism continues to exist in spite of all its ups and downs and socialism continues to elude the humanity. Marx’s vision has simply proved to be unrealizable,

The present paper is concerned with demonstrating that socialism in Marx is completely different from, if not opposed to, socialism as we find it in its common theoretical presentation as well as in the practice
in its name in the twentieth century and that what Marx had envisaged as socialism has not yet been tried. Secondly, as regards the alleged failure of Marx’s prognostication of society after capital, the advent of socialism in Marx’s sense is conditional upon the presence of certain material and subjective conditions which require a prolonged historical period for their fruition within the existing society itself before the new society could appear, for which Marx did not set any calendar. Marx’s emancipatory socialist project has lost none of its lustre and is still worth striving for.

For a proper perspective we first offer, in what follows, a synoptic overview of socialism as envisaged by Marx. Then we proceed to present the specificity of the concept of socialism as it took shape in the last century before proceeding to give a brief account of that socialism in reality. Both as regards the concept of socialism and its reality in the last century we consider socialism in Russia after October 1917 as the prototype of all later socialisms. Hence first we analyse the Russian case at some length where we discuss successively Lenin, then Stalin, and then offer a shorter account of the next outstanding case of China under Mao. We conclude by (re)asserting the relevance of Marx’s emancipatory socialism to-day.
Socialism in Marx

First a word on the confusion about the term ‘socialism’. There is a widespread idea that socialism and communism are two successive societies, that socialism is the transition to communism and hence precedes communism. Later in this essay we will say a little more on the origin of this thesis and the consequences of its acceptance. For Marx this distinction is non existent. For Marx socialism is neither the transition to communism, nor is it the lower phase of communism. It is communism tout court. In fact Marx calls capitalism itself the ‘transitional point’ or ‘transitional phase’ to communism (Marx1953:438;1962a: 425-26;in Most1989:783) For him they are simply equivalent and alternative terms for the same society which he envisages for the post capitalist epoch which he calls, in different texts, equivalently: communism, socialism, Republic of Labour, society of free and associated producers or simply Association, Cooperative Society, (re)union of free individuals... Hence what Marx says in one of his famous texts-Critique of the Gotha
Programme (hereafter Gothacritique) about the two stages of communism ¹ could as well apply to socialism having the same two stages. Now socialism or communism appears in two different senses in Marx (and Engels). First as a theoretical expression. In this sense this expression does not mean a state of things which should be established or an ideal to which reality should conform. It is rather the “real movement which abolishes the present state of things. The movement arises from to-day’s (pre)conditions.” (Marx and Engels 1973a:35). Socialism(communism) “to the extent that it is theoretical, it is the theoretical expression of the place of the proletariat in the class struggle between the proletariat and the bourgeoisie, the résumé of the conditions of the emancipation of the proletariat” (Engels in Marx and Engels 1972:322) or the “theoretical principles of the communists…are only the general expressions of the real relations of the existing class struggle, of a historical movement that is going on before our eyes("Marx and Engels 1966:70). In the second sense socialism(communism) refers to the society which is envisaged as arising after the demise of capitalism. Now, to drive home our point that socialism and communism in Marx mean the same social

¹ This text is the only place in Marx’s writings where this two-phase temporal division of the future society is found. NOT EXACTLY
formation, and thereby to refute the uncritically accepted idea—a sequel to Bolshevism—of socialism being only the transition to communism, we could mention at least four of Marx’s texts where referring to the future society after capital Marx speaks exclusively of ‘socialism’ and does not mention ‘communism’. Thus in a 1844 polemic Marx writes:”Generally a revolution—overthrow of the existing power and the dissolution of the old relations—is a political act. Without revolution socialism cannot be viable. It needs this political act to the extent that it needs destruction and dissolution. However, where its organizing activity begins, where its aim and soul stand out, socialism throws away its political cover.”(Marx 1976a:409). The second and the third texts\(^2\) are almost identical, appearing respectively in his 1861-63 notebooks (second notebook) and in the so-called ‘main manuscript’ for Capital III. Here is the 1861-63 text: “The capitalistic production…is a greater spendthrift than any other mode of production of man, of living labor, spendthrift not only of flesh and blood and muscles, but of brains and nerves. It is, in fact, at the greatest waste of individual development that the development of general men is secured in those epochs of history which prelude to a socialist constitution of

\(^2\) In Marx’s own English
mankind.” (Marx 1976b: 324-27). This text is repeated almost word for word in the ‘main manuscript’ for the third volume of Capital (Marx 1992:124-26). Finally, in course of correcting and improving the text of a book by a worker (Johann Most), meant for popularizing Capital, Marx inserted: “The capitalist mode of production is really a transitional form which by its own organism must lead to a higher, to a co-operative mode of production, to socialism.” (in Most 1876,1989:783).

The conditions for the rise of socialism is not given by nature. Socialism is a product of history.” Individuals build a new world from the historical acquisitions of their foundering world. They must themselves in course of their development first produce the material conditions of a new society, and no effort of spirit or will can free them from this destiny (“Marx 1847,1972:339; emphasis in original). Precisely it is capital which creates the material conditions and the subjective agents for transforming the present society into a society of free and associated producers. “The material and the spiritual conditions of the negation of wage labor and capital-themselves the negation of the earlier forms of unfree social production-are themselves the result of its (own) process of production.” (Marx 1953:635). The material conditions

3 In his edition of the manuscript published as Capital III Engels translates this passage in German, but not quite literally(Marx 1964a:99).
are created by capital’s inherent tendency towards universal
development of the productive forces and by the socialization of labor
and production. As regards the subjective-‘spiritual’-condition, it is
provided by capital’s “grave diggers” - the proletariat-begotten by capital
itself. Even with the strongest will and greatest subjective effort if the
material conditions of production and the corresponding relations of
circulation for a classless society do not exist in a latent form “all
attempts to explode the society would be Don Quixotism” (Marx
1953:77). More than two decades later Marx wrote: “A radical social
revolution is bound up with certain historical conditions of economic
development. The latter are its preconditions. It is therefore only
possible where, with capitalist development, the industrial proletariat
occupies at least a significant position.” (Marx 1973b:633). It must be
stressed that capitalist relations are not revolutionized within capitalism
automatically even with all the requisite material conditions prepared by
capital itself. It is the working class which is the active agent for
eliminating capital and building the socialist society. It is necessary to
emphasize that the proletarian revolution is an act of self-
emancipation. “The emancipation of the working classes must be
conquered by the working classes themselves” (Marx 1964b: 288).
Marx and Engels equally underline that the “consciousness of the necessity of a profound revolution arises from the working class itself” (Marx and Engels 1973a:69). The starting point of the proletarian revolution is the conquest of political power by the proletariat—the rule of the “immense majority in the interest of the immense majority”, the “conquest of democracy” (Marx and Engels 1966:74, 76). This so-called ‘seizure of power’ by the proletariat does not immediately signify the victory of the revolution⁴, it is only the “first step in the worker revolution” (Marx and Engels 1966:76) which continues through a prolonged “period of revolutionary transformation” of the capitalist society into socialist society required for superseding the bourgeois social order (Marx in Marx and Engels 1964c:24). Until capital totally disappears the workers remain proletarians and the revolution continues, victorious though they are politically.” The superseding of the economical conditions of the slavery of labor by the conditions of free and associated labor can only be the progressive work of time” (and) the “working class will have to pass through long struggles, through a series of historic processes transforming circumstances and men” wrote Marx with reference to the victory of the Commune

⁴ Like the widely used phrase of the Left: “victory of the October (1917) revolution” by which is of course meant the seizure of political power.
(Marx1971:76, 156-57). Later he reminded Bakunin that (even) with the installation of the proletarian rule the “the classes and the old organization of society still do not disappear” (Marx1973:630). At the end of the process with the disappearance of capital the proletariat along with its “dictatorship” also disappears, leaving individuals as simple producers, and wage labor naturally vanishes. Classes disappear along with the state in its last form as proletarian power and the society of free and associated producers-socialism- is inaugurated. In all hitherto existing societies-based on class rule-community has stood as an independent power against singular individuals and subjugated them. Thus it has really been a “false” or “illusory” or “apparent” community. The outcome of the workers’ self-emancipatory revolution is the socialist society, a “reunion of free individuals”-individuals neither personally dependent as in pre-capitalism nor objectively dependent as in capitalism, hence free, and there arises, for the first time, the “true” community where universally developed individuals dominate their own sociarelations(Marx1932:536;1973a:136;1953:593;1987:109). Correspondingly, the capitalist mode of production (CMP) yields place to the “associated mode of production”(AMP). With the disappearance of
classes, there is also no state and hence no politics in the new society. We cited Marx above holding that with the victory of the proletarian revolution politics ceases to exist and socialism throws away its political cover. This 1844 position of Marx is repeated in his Anti Proudhon (1847) and in the (with Engels) *Communist Manifesto* (1848). Following the same logic he and Engels affirm that the “organization of communism (socialism) is essentially economic” (Marx and Engels 1973a:70). Here the appropriation of the conditions of production is no longer private, it is collective, social. Similarly, with the transformation of society’s production relations its exchange relations – individuals’ material exchange with nature as well as their exchanges among themselves – are also transformed. Capital, driven by the logic of accumulation, seriously damages the environment and undermines the natural powers of the earth together with those of the human producer, the “twin fountains of all wealth” (Marx 1987:477). In contrast, in the new society, freed from the mad drive for accumulation and with the unique goal of satisfying human needs, individuals rationally regulate their material exchanges with nature with the “least expenditure of force and carry on these exchanges in the conditions most worthy of and in fullest conformity with their human nature” (Marx
As regards the exchange relations among individuals, the inauguration of collective appropriation of the conditions of production ends the commodity form of products of labor. Here the directly social character of production is presupposed and hence exchange value ceases to exist. “Community” here is “posited before production” (Marx 1980: 113). From the very inception of the new society as it has just come out of the womb of capital - Marx’s first phase of socialism - “producers do not exchange their products and as little does labor employed on these products appear as value” (Marx 1964c: 15). Finally we come to the allocation-distribution of conditions of production - the material means of production and the living labor power - and the consequent distribution of their products in the new society. The distribution of the conditions of production boils down really to the allocation of society’s total labor time (dead and living). This allocation, effected through exchange taking value form in capitalism, is contrariwise performed in socialism by direct and conscious control of society over its labor time. At the same time, in conformity with the nature of the new society, free time beyond the labor time required for satisfying the material needs must be provided by society to the associated individuals for their “all sided development”. Hence the
“economy of time is the first economic law on the basis of communitarian production,”(Marx 1953:89). As regards the distribution of the total social product in socialism it is first divided between the production needs and the consumption needs of society. Production needs here refer to needs of replacement and extension of society’s productive apparatus as well as insurance and reserve funds against uncertainty. Consumption refers to collective consumption-health, education, provision for those unable to work- and personal consumption. As regards the latter, the principle governing it still remains the principle which regulates commodity exchange—the quantity of labor given to society (after necessary deductions) by the individual is received back from society by the individual. However, the mediating ‘labor coupons’ have no exchange value. In fact in commodity production there is a contradiction between “principle and practice”, equivalence is established “only on average”, individual share in social total labor is unknowable. Opposite is the case with socialism (Marx 1964c:16. Emphasis in original). Similarly, in his famous discussion of the “reunion of free individuals” in Capital I, Marx posits that under “socialised labor, diametrically opposed to commodity production”, the mediating labor certificates are no money,
they simply ascertain the share allocated to each labouring individual—“only for the sake of a parallel with commodity production”—according to the individual’s labor time (Marx 1987: 109, 122) ⁵ At the initial phase of the new society this principle of equivalence, in parallel with the principle under commodity production—hence called by Marx “bourgeois right”—but without having value form assumed by the product cannot be avoided. This process is wholly overcome only at a higher phase of this society when all the springs of co-operative wealth open up more fully leading to society’s adoption of the principle “from each according to one’s ability to each according to one’s needs” (Marx 1964c: 17).

**Anti Emancipatory Character of Twentieth Century Socialism**

First a word on the theoretical categories on which the twentieth century socialism (hereafter TCS) had drawn and justified the practice of its socialism. These categories were shaped originally and principally by Lenin, developed and perfected later by Stalin. This conceptual

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⁵ This idea reappears in Marx’s second manuscript for *Capital II* (Marx 2008:347). Interestingly, considering both the texts of the two volumes of *Capital* on allocation-distribution as given here one sees clearly that they refer not to the higher phase of the socialist society but to its lower phase as we find in the *Gothacritique*, that is, we already have a society of free and associated individuals with neither commodity production nor wage labor.
framework became, broadly speaking, the heritage of twentieth century socialism. Indeed the theoretical categories of TCS are only the footnotes to Lenin—to paraphrase A.N. Whitehead on Western philosophy in relation to Plato.. They had little relation with the categories which Marx (and Engels) had put forward in their own presentation of the future society. In fact TCS’s theoretical representation of the post capitalist society shows a near complete revision (in Lenin’s precise sense of the term) of Marx’s ideas. As regards the conditions of the socialist revolution, Lenin advanced two important arguments in justification of socialist revolution in Russia after the February uprising (1917). First, a few months before the seizure of power, he affirmed that as a result of the February revolution the state power in Russia had passed into the hands of the bourgeoisie and the landlords turned bourgeois. “To this extent the bourgeois revolution is completed” (Lenin1982b:19;). Emphasis in original). Shortly afterwards he asserted, without any qualification this time, “the bourgeois revolution is already completed” (lenin1982b:51;). The second argument for a successful socialist revolution in backward Russia, already implicit in Lenin’s 1915 declaration on the possibility of the victory of socialist revolution outside Europe, given “unequal
development of capitalism” (Lenin1982a:635-36), was explicitly made only a few months after the October seizure of power: it was easier for “the (socialist revolutionary) movement to start” in a backward capitalist country like Russia, “things had worked (out) differently from what Marx and Engels had expected” (Lenin1982b:509,510). To paraphrase Keynes’s statement about Ricardo, Lenin conquered not only the revolutionary Left but also some of the lucid minds of the twentieth century as completely as the Inquisition had conquered Spain. They thought without question that a socialist revolution had indeed taken place and been victorious in one of the most backward capitalist countries thereby disproving Marx’s prognostication. Thus E.H. Carr thought that “Marxist scheme of revolution was bound to break down when the proletarian revolution occurred in the most backward capitalist country” (Carr1964:43-44). In his turn Isaac Deutscher wrote that it was the Russian Marxists, and not Marx and Engels whom (the events in Russia ) proved to be right (Deutcher1960:184). In the same way Paul Sweezy opined:” The revolution that put socialism in history’s agenda took place not in economically developed countries, as Marx and Engels thought they would, but in countries where capitalism was still in early stages” (Sweezy1993:6). The position of these people
confirms what Marx and Engels noted in an early text: “While in the daily life every shopkeeper knows very well the distinction between what a person pretends to be and what s/he really is, our historiography has not yet come to know this triviality. It believes an epoch at its word what the epoch affirms and imagines itself to be” (Marx and Engels 1973a:49). Now both the arguments of Lenin in favor of socialist revolution in Russia in 1917 were a radical revision of the materialist conception of history. As regards the first argument, Lenin predicated the “completion” of the bourgeois democratic revolution simply on the basis of the passage to political power of the bourgeoisie independently of the question of any change in the social relations of production in Russia whereas for Marx only a radical transformation of these relations, and not a mere change in political power, would signify “completion” of a social (including bourgeois) revolution. As to Lenin’s second argument mentioned above, the fundamental question is - even assuming the presence of the revolutionary class—the proletariat—whether it is possible to have a socialist revolution without the presence of the adequate material conditions for inaugurating a “reunion of free individuals” contrary to

6 The term ‘shopkeeper’ is in English in the text.
what Marx had stressed in his different texts including his latterday AntiBakunin text given above. Theoretically not inconceivable, Marx’s thesis could only be refuted by the reality of a successful socialist revolution under Lenin’s conditions (see below). Apart from Lenin’s argument about the conditions of socialist revolution his theoretical position on socialism itself is of enormous importance in view of its lasting effect on the way socialism was conceived and practiced by the regimes, which followed worldwide after the Bolshevik victory, calling themselves ‘socialist’. Lenin distinguishes between socialism and communism, equating them respectively, with Marx’s lower and higher phase of communism. He also speaks of two transitions, one from capitalism to socialism, another from socialism to communism (Lenin 1982b :42,301-02,305; 1982c:530,541-42). We already saw above that for Marx socialism and communism are equivalent terms. In this light one could also speak of a lower and a higher phase of socialism. Now the Leninist distinction in question, apparently merely terminological and innocent looking, had far reaching consequences which were far from innocent and far from what Lenin himself presumably might have expected. It became a convenient instrument for legitimizing and justifying the ideology and
every oppressive act of the Party-States from 1917 onward in the name of socialism which, it was maintained, was only a transitional phase toward communism, thus shelving all the vital aspects of Marx’s immense emancipatory project of the post capitalist society off to the Greek calends of never never land of communism thereby metamorphosing Marx’s project of communism(socialism) into an unalloyed utopia.

The Russian Case: Concept and Reality

Lenin

Lenin speaks of socialism basically in juridical terms not in terms of a complex of social relations of production. For him socialism is “social ownership” of the means of production which he further specifies as “ownership by the working class state”(Lenin1982b : 300,302,669;1982c :711,712,714). Of course Marx also speaks of the ownership of the means of production in the new society as “social” where society itself and not state-absent from the new society- is the owner, but for Lenin it is the working class state which is the new
owner (собственность на средства производства в руках государства) (Lenin1982c:711,712). Here Lenin has successfully stood Marx on his head. For Marx socialism—even in Lenin’s revised sense of the first phase of communism—is already a classless society, a “union of free individuals” coming into existence after the working class along with the last form of state—the dictatorship of the proletariat—has vanished. The proletariat (wage labourers) have been transformed into simple producers as free individuals and it is their society (the collectivity of free individuals)—and not any state—which possesses the means of production. Lenin speaks not only of the working class state but also of what he considers to be its equivalent, “socialist state” (Lenin1982c:714). Needless to say, this last expression is nowhere to be found in Marx. Earlier we referred to Marx’s texts showing that there can be no state in socialism. Lenin tries to smuggle ‘state’ into Marx’s text of the Gotha critique by brazenly revising it. This he does by connecting two independent ideas in two analytically separate places of the text—Marx’s discussion of the continuation of ‘bourgeois right’ in the first phase of communism and Marx’s speculation about the future of the “present day functions of the state”. Lenin emphasizes the need for the existence of the
“bourgeois state” to enforce the “bourgeois right” in the first phase of the new society. His logic is baffling. For Marx this first phase is inaugurated after the disappearance of the proletarian rule—the last form of state. From Lenin’s position it follows that in the absence of the bourgeoisie (by assumption), the producers themselves—no longer proletarians—would have to recreate, not even their old state, but the bourgeois state to enforce the bourgeois right. For Marx, from the start of the new society there are no classes and hence there is no state and no politics. Whatever bourgeois right remains in the area of distribution does not require a particular political apparatus to enforce it. It is now society itself which is in charge. One could read this textually in the Gothacritique. Similarly, for the first phase of communism (Lenin’s socialism) Lenin envisages the economy as one “state syndicate” or one “single factory” where “all citizens” are transformed into “hired employees of the state” (sluzhashikh po naymu) with “equality of labor, equality of wages” (zarabotnoy platyi)” (1982b:306,308; emphasis added). What a contrast with Marx who in his “Inaugural Address” (1864) had clearly distinguished between “hired labor” (of capitalism) and “associated labor” (of socialism)! For Marx what Lenin is saying about is simply the “state itself as
capitalist”, “in so far as it employs wage labour”1962b: 370;2008:636), So what Lenin presents us as socialism is really state capitalism which with a “single state syndicate” or a “single factory”, as Lenin puts it, will be –in Marx’s terms, as we find in Capital’s French version- the “total national capital constituting a single capital in the hands of a single capitalist”(Marx1965:1139).

Let us now try to see this socialism, the prototype for the twentieth century, in reality. The problematic begins right at the start. There is no evidence that the accession to political power by the Bolsheviks signalled a proletarian or socialist revolution (or at least its beginning) in Russia in the sense of Marx, that is, a revolution which is the outcome of the “autonomous movement of the immense majority in the interest of the immense majority” , as the 1848 Manifesto affirms (Marx and Engels1966:68). The so-called October revolution was neither initiated nor led by the proletariat. The same goes for the subsequent installation of the single party rule. In October, 1917, the fate of over 170 million people was decided by a handful of non-proletarian radicalized intelligentsia -far removed from the site of the real process of production and exploitation, unelected and unrevocable by and totally unaccountable to the labouring people.
Through the substitution of a whole class by a single party, power was seized under the slogan ‘all power to the soviets’ not from the Provisional Government but really from the soviets themselves, the authentic organs of laboring people’s self-rule created by the self-emancipatory country-wide spontaneous popular uprising in February. This pre-emptive strike was perpetrated independently of and behind the back of the Congress of Soviets depriving, by this singular operation, the Congress of the right of maternity regarding the founding act of the new order. Revealing in this regard is Lenin’s secret correspondence (September-October 1917)-expressing utter distrust and disdain of the soviets while mouthing ‘all power to the soviets’ in public-to his comrades in the party leadership. “To wait for the Congress (to meet) is complete idiocy and total treachery (polnaya izmena). The Congress will give nothing and can give nothing (nicheto ni mozhet dat’) (Lenin 1982b:345,346. The latter expression emphasized in original). Undergoing a virtual radioactive decay the soviets as independent self-governing organs of laborers evaporated as early as summer 1918."Soviet democracy lasted from October, 1917 to the summer 1918" and “beginning with 1919 Bolshevism started to deny all the dissidents of the revolution the
right to political existence “(Serge 2001:832). “All power to the soviets’ appeared to be a reality on the 26th of October, 1917”, wrote an eminent historian, “but it was mostly power to the Bolsheviks in those soviets….The whole system of soviets and executive committees was reduced to an administrative and propaganda auxiliary of the party…Deprived of power in the soviets and in the factories the Russian proletariat found that the triumph of the dictatorship in its name was a very hollow victory.”(Daniels 1967:223-24). The masses and the majority of soviets representing them certainly greeted the fall of the hated old regime, but refused to have a Bolshevik hegemony. Alexander Rabinowitch in his blow by blow account of the events wrote, “The mass mood was not specifically Bolshevik in the sense of reflecting a desire for a Bolshevik government. As the flood of post-Kornilov political resolutions revealed, Petrograd soldiers, sailors, and workers were attracted more than ever by the goal of creating a soviet government uniting all socialist elements. And in their eyes the Bolsheviks stood for soviet power-for soviet democracy” (2004: 139,167; our emphasis). Very interestingly, on the eve of the Second Congress the delegates arriving in Smolny were asked to fill up questionnaires, where one
finds that “an overwhelming majority of them (including the Bolshevik delegates) came to Petrograd committed to supporting the transfer of all power to the soviets, that is the creation of a soviet government presumably reflective of the party composition of the Congress… They had the mandate to support the creation by the Congress of a coalition of government parties represented in the Soviet” (Rabinowitch 2004:291-93). There was also another important set of workers’ self governing organs created in work places before October 1917-factory committees with their own soviet (Ferro 1980:20). After having seized power from the Congress of Soviets the Bolsheviks turned their eyes on the factory committees who were exercising workers’ democracy in their work places and asserting control over the management. “The Bolsheviks saw for the first time the danger of radical democracy confronting them, following literally Lenin’s words on the sovereignty of the soviets.”(Anweiler 1958:277). The Bolsheviks now asked the trade unions where they had a majority to help them to subdue these self governing organs of the workers. The trade unions obliged by simply annexing them as their lowest level (Bunyan and Fisher 1934: 639-41). It should be clear that far from itself conquering political power as an act of self-emancipation (in
Marx’s 1864 sense), the Russian proletariat participated in the seizure of power—effected in the name of the proletariat by a party completely substituting itself for the proletariat—only as followers. It must be underlined that by their pre-emptive strike against the soviets the Bolsheviks successfully destroyed any possibility of the unfurling (bourgeois) democratic revolution, so magnificently started by the quasi-totality of the country’s labouring people in February, from developing over time into a genuine proletarian revolution as a process of “revolution in permanence”, to use the 1850 “battle cry” of Marx and Engels.

Before the seizure of power Lenin had stressed the need to destroy the old state apparatus and to replace it with “commune-state” with freely elected and revocable officials, and the police and the standing army with the armed workers. Later he had to admit that the Bolsheviks “effectively took over the old apparatus of the tsar and the bourgeoisie.”(Lenin1982c:695). Instead of officials being elected and subject to recall, there appeared bureaucrats, all party nominees and hierarchically organized from top downward. Similarly there appeared a special police apparatus, particularly the dreaded secret police, before the end of 1917. In the same way the ‘Red’ army was
fashioned, beginning with early 1918, not very differently from the professional army of a class society with the ex tsarist officers in higher positions in increasing numbers. As regards industry, with the virtual liquidation of the self managed factory committees, the principle of direction from above was imposed. Lenin now discovered that “the Russian is a bad worker in comparison with the worker of the advanced nations”, hence the workers must show “unquestioning obedience to the single will of the leaders of the labor process, … to the one person decision of the soviet directors” (Lenin 1982b; 610, 618, 630; emphasis in text). One year later he added:” Till now we have not reached the stage where the labouring masses could participate in administration.” (Lenin1982c:115). We thus see-remaining within Marx’s conceptual frame work- that the regime created by October was anything but a proletarian regime. It was party’s dictatorship over the proletariat. Naturally workers’ opposition to the regime became more and more widespread which was increasingly suppressed by force. The climax was reached with the mass massacre of the Kronstadt sailors and toilers in early 1921 on the totally false charge of their collaboration with the Whites, on Lenin’s own testimony at the tenth congress of the party in 1921.
Deutscher writes that by 1921-22 for the first time since 1917 “the bulk of the working class unmistakeably turned against the Bolsheviks…If the Bolsheviks had now permitted free elections to the soviets they would almost certainly have been swept from power (Deutscher1963:504).

**Stalin**

It was Stalin who, following Lenin’s lead on the concept of socialism, gave it the finished form on which the whole rationale of TCS was founded. Needless to add, Stalin totally subscribes to the Leninist identity of socialism with Marx’s “first phase of communism” and the Leninist idea of socialism as the transition to (full) communism. Stalin’s inversion of Marx’s materialist position goes even further than Lenin’s. Whereas in Lenin socialism is conceived in terms of ownership of means of production that is, in juridical terms, independently of the real relations of production, Stalin specifically makes “ownership of means of production the basis of production relations” (1980 :505), and state ownership of means of production is, again, à la Lénine, identified with socialist ownership (Stalin 1970: 383,386). Lenin’s idea of citizens as hired wage laborers of state in socialism is also taken over by Stalin. Stalin’s ‘improvement’
on Lenin’s position here lies in his statement that given the absence of private property in the means of production in socialism labor power has ceased to be a commodity and that there are no hired wage laborers here (Stalin 1980: 580-81). However the laborers receive their remuneration “in the form of wage” reflecting the material incentive according to the quantity and quality of labor. But this “wage under socialism is fundamentally different from wage under capitalism” because contrary to what happens in capitalism labor power is not a commodity in socialism (Akademiya Nauk SSSR 1954:452,453). In other words, wage exists and labor exists but wage labor does not\(^7\). It seems Lenin lacked this ‘subtle’ logic of his follower.

Finally, given the existence of two forms of ownership in the means of production- state ownership and collective farm ownership with exchange of products between them mediated by money- Stalin affirms the necessity of the existence of commodity production and hence of the law of value in socialism. However, in the absence of private ownership the socialist commodity production is totally different from commodity production under capitalism (Akademiya Nauk 1954:440-441; Stalin 1980:580-81). So we have socialist

\(^7\) For Marx wage is simply the value of labor power which is a commodity (see for example Marx 1988:16).
commodity and socialist wage as the specific products of *socialism*, completely different from their counterparts in capitalism. It should be stressed that the foundation of the rationale for the existence of socialism in the new regime—underlined by Stalin following Lenin—from which all its other characteristics follow—is the alleged absence of private property in the means of production. ⁸Here private property means for Lenin, “property of separate individuals”(1982b:300,302) in the means of production⁹. We submit that the concept of capitalist private property (in the means of production) meaning *individual* (private) property and, correspondingly, capitalist as the individual owner of capital is *pre-Marxian*. As a juridical category it is as old as the Roman law taken over later by the bourgeois jurisprudence. This is the juridical form in which capital appears at its beginning period. But with the progress of accumulation this form increasingly loses its relevance. Marx shows clearly that at a certain stage of capitalist development, for the needs of increasing accumulation of capital—the “independent variable” in capitalist production—this form tends to be largely inadequate and there appears increasingly—as is seen in the

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⁸The discussion of socialism in Lenin’s case was purely theoretical, the outcome of his specific (mis)reading of Marx, while for Stalin the theorization came as a rationalization of the actually existing regime he was heading.

⁹In the expression the term “*separate*”(*otdelnyi*) does not appear in Moscow’s English version.
rise of share capital—what Marx calls “directly social capital in opposition to private capital” together with “associated capitalist”. This signals the “abolition of private property within the limits of the capitalist mode of production itself”. However, Marx does not speak only of individual private property in the means of production. In his work we also read about another kind of private property largely left aside by the Marx readers. In this second, and more important sense, private property in the means of production exists as property of the few in the face of non-property of the great majority who are compelled to sell their labor power in order to live. In this sense the objective conditions of labor are the “private property of a part of society” (Marx 1956:21; emphasis added). It is then “class property”. This is the sense which appears in the assertion of the Communist Manifesto that communists could sum up their theory in a single expression: “abolition of private property”, and the latter is explicitly used in the sense of “disappearance of class property” (Marx 1966: 71, 73). The same idea reappears in Marx’s address on the 1871 Commune: “The Commune intended to abolish that class property which makes the labor of the many the wealth of the few” (1971:75).

Hence even with the (juridical) abolition of individual private property, if the great majority continues to earn its living by exchange of labor power against wage/salary, that would signify that private property continues to exist as “class property”. It is not with (working class) state property but only with society’s direct appropriation of the conditions of production implying necessarily the disappearance of the wage system that private property finally goes out of existence. Then only capitalism ends. The idea of socialism as the lower phase of and transition to communism based on public(mainly state) ownership of the means of production and wage labor and in the state form under a single party, founded by Lenin and perfected by Stalin (with the additional introduction of commodity production), this idea remained the central idea of socialism-accepted uncritically-by the rulers of the whole system of TCS across the globe and their international sympathizers.. In this ironclad frame of socialism state substituted for society and party substituted for (working) class totally. It should be clear, following our earlier discussion above, that this socialism has nothing in common with Marx’s socialism- not transitional but equivalent to communism-conceived as a society of
free and associated individuals with social ownership of the means of production and without state, commodity production or wage labor.

The Soviet Union was not considered socialist by its rulers till the late 1930s. Till then it was considered a proletarian dictatorship. The victory of socialism was proclaimed on the basis of the fulfillment of the second five year plan (1933-1937) showing 98.7 percent of the means of production coming under state and cooperative-collective ownership. The party declared that “in our country … the first phase of communism, socialism, has been basically realised” (KPSS v resoliutsiakh 1971:335). As we already mentioned above, in Stalin we find the theoretical justification post festum of this ‘socialism’, fundamentally based on ‘public’ (mainly state) property in the means of production, with wage labor and commodity production kept intact. (Needless to add, the Party-State political framework of this ‘socialism’ became increasingly oppressive). The basic structure of this socialism remained more or less the same till the end of the regime. And only towards the end, with the introduction of relative freedom of opinion and expression gained by the citizens, we start to get to know the real nature of this socialism from the internal
witnesses of the regime. Thus an eminent soviet economist of the period wrote: “Removed from direct administration and disposal of social ownership, having no influence on the system of remuneration, and participating in no way in the distribution of national income and produced product” the soviet workers “perceived” such “state ownership” as “alien” and “not their own” (Butenko 1988:16, 18). Similarly, the doyen of labor economics underlined: “The state ownership was neither public nor socialist. Surplus labor and the corresponding surplus value belonged not to the people or to those who generated them. Profit was appropriated by the state, ...the directors of enterprises hired labor power in the name of the state. Wage, in these conditions, was, as in any capitalist society, the transformed form of the value of labor power as a commodity (prevrashchennoi formoi stoimosti tovara rabochaya sila) (Manevich 1991:139). It is in this situation of “apathy enveloping millions” and “exhausting all motivational basis”, as another economist observed, that the “standard ‘socialist toiler’ (sotsialisticheskoi truzhenik), a product of 70 years of soviet rule”, has worked (Loginov 1992).

China: Concept and Reality
Now a rapid overview of an important exemplar of TCS, China under Mao Zedong. Mao proclaimed that “the salvoes of the October revolution brought Marxism-Leninism to China” and he characterized his party as the “bolshevized communist party” (Mao1972:175). Materially China was even more backward than the pre-October Russia. China’s revolution abstracting from its anti-imperialist character was essentially a peasant war led by the communist party of China (CPC hereafter) directed against the pre-capitalist social order. The CPC under Mao, contrary to the Bolsheviks under Lenin, came to represent China’s great majority, firmly rooted in the country’s rural labouring masses. The supposed leadership by the proletariat was more theoretical and ideological than real, the party having tenuous links with the industrial working class. In fact Mao wrote: “More backward a country is, easier is its passage to socialism” (Mao1975:81). He was even inclined to consider-like the 19th century Russian ‘populists’-the possibility of “the Chinese revolution to avoid the capitalist path in order to reach socialism directly” (Mao1972:131). According to the regime’s spokespersons the CPC’s victory in 1949 meant the triumph of the
“new democratic revolution” accomplishing the anti-feudal and anti-imperialist tasks. The subsequent period till the end of the first five year plan (1953-57) was a transition period of “socialist construction”. From 1956-57 on China, it was claimed, became a socialist country. Remaining well within the non-Marxian Leninist tradition Mao considered socialism as the lower phase of and the transition to communism. About the nature of the Chinese society for the period beginning with the late 1950s Mao is ambiguous. Thus in two texts separated by a few months he speaks curiously of ‘socialist relations of production’ in February and of ‘proletarian dictatorship’ in October as existing in China (Mao 1977: 394, 507). Positively referring to Stalin, Mao affirms, reversing Marx’s materialist position, like Stalin before him, that the “system of ownership is the basis of the relations of production” (Mao 1977:139). Again, following Stalin, Mao proclaimed the establishment of socialism in China on the basis of the abolition of the individual private ownership in the means of production. Correctly taking account of the existence of commodity production and wage system in China’s ‘socialist’ reality, Mao, unlike Stalin, did not resort to subterfuges to hide their incompatibility with socialism (in Marx’s sense). He stated: “China is a socialist country…”
At present our country practices the commodity system, an eight grade wage system, and the wage system is unequal, and in all this scarcely different from the old society; the difference is that the system of ownership has changed” (Mao cited in Biography 2004:1475). Mao also asserted, going beyond even Lenin, the “existence of classes and class struggle”-insisting on the latter’s “protracted and sometimes violent character “- in “socialism”( Schram 1974:168).This sharpening class struggle included the struggle within the CPC itself against the “capitalist roaders” through a series of “cultural revolutions”. The Great Proletarian Cultural Revolution(GPCR) began with a lot of fanfare on the initiative of the “Chairman in person”.The 16 point decision proclaimed the need “for the masses to liberate themselves”.Here undoubtedly Mao was in advance of the Bolsheviks in whose writings such a clearly stated emancipatory message for the labouring people is difficult to come by. The nearest for them was the slogan ‘all power to the soviets’ whose rapid liquidation in reality we already saw above. The ‘Sixteen Articles’ of August 1966 called for a system of general elections like that of the Paris Commune. However that was not how things

11 Translated from Chinese and transmitted to us by the distinguished Chinese scholar Wang Hui. in a private communication
12 Here we draw on the distinguished historian M.Meisner 1999:370-71
turned out to be. Within a very short period Mao himself rejected the attempt made in Shanghai to follow faithfully the example of the Paris Commune. Mao favored rather the military dominated revolutionary committees. “Whatever may have been Mao’s intention at the beginning of the Cultural Revolution, in the end he settled for the reestablishment of a presumably ideologically rectified Party and a presumably reformed state bureaucracy” (Meisner 1999:370). Far from establishing a system of election and recall at all levels of administration, all functionaries continued to be nominated. Finally the old bureaucratic machinery emerged from the Cultural Revolution almost intact. This was also *grosso modo* the experience in Russia after October 1917 as we saw above. Speaking in general, as regards the pretension of having proletarian dictatorship and then socialism, the reality showed that the laboring people of China, as in Russia earlier, had no role in the fundamental decisions and the enforcement of those decisions affecting their own lives. This was the exclusive privilege of the Party leadership. The “task” of the ‘masses’ (how condescending the term became in the communist movement!) was to follow the “instructions” from above. Going beyond the Russian experience it was a single individual-Mao- who
was the ultimate reference point. Whether it was the system of “people’s communes” or the launching of the GPCR the initiative came from the “Chairman in person”. In a society supposed to be marching toward communism every move was centered on following the Chairman’s “latest instructions”. What a contrast between the emphasis on Mao being the “great teacher, great leader, great supreme commander, great helmsman” and Marx’s self-emancipatory perspective of the “proletariat organized as the ruling class”, let alone of socialism as the “reunion of free individuals”!

**Conclusion: The Relevance of Marx**

It appears that the revolutions of the last century claimed to be socialist were really all minority revolutions in the name of the majority. Though we discussed only two specimens TCS above, it would not be difficult to show that the pattern that emerges from these two apply *mutatis mutandis* to all the members of TCS. To go back to a remarkable text by Engels, ”Even when the majority participated in them (in these revolutions), this participation was only in the service of a minority. Because of this(participation) and because of the unopposed attitude of the majority, the minority acquired the impression that it was the representative of the whole
people” (Marx, Engels: 1966: 227). All these societies have been ‘State socialist’ - to use an oxymoron from the point of view of Marx - the state “enmeshing” the living civil society like a boa constrictor “instead of “society reabsorbing the state(power)”, and in the process “perfecting the state machinery instead of throwing off this deadening incubus. (Marx 1971: 149, 150, 153). The theoretical ground and justification (in advance) of this enslaving system one already finds in the anti emancipatory reading of Marx's *Gothacritique* by Lenin in his apparently libertarian brochure *State and Revolution* where the two fundamental instruments for enslaving the human individual - the state and wage labor- are explicitly made to appear in the lower phase of communism, (mis)interpreted as the ‘transition to communism’ . It is no wonder that this is about the only text of Marx on the future society with its division into a lower and a higher phase which is the constantly mentioned reference point for the spokespersons of the Party-States for showing the concordance of their socialism with the socialism envisaged by Marx, inasmuch as this two-phase division could easily be manipulated - given Lenin’s particular reading - to justify

13 Che Guevara with his otherwise refreshingly critical notes on the soviet *Textbook on Political Economy* in his recently published manuscripts does not cross the bounds of the ‘State socialist’ framework including its commodity production and wage system See Guevara 2006.
the existence of state, commodity production and wage labor in the first phase seen as only the transition to “full communism”. Indeed the practice of twentieth century ‘socialism’ has been a vast exercise in the enslavement of the human individual whose emancipation is the ultimate goal of the socialist revolution as envisioned by Marx. The situation of the individual in the future Association in Marx’s different texts does not find much echo in the discussion on socialism by the partisans of TCS. Marx’s relevant discussion appears in his texts beginning as early as 1843-44 dealing with the problem of individual’s alienation in commodity-capitalist society. In the *Communist Manifesto* appears the essence of his position: “freedom of each is the condition of the freedom of all”. His basic criterion for judging a society was the extent to which the individual was free in the society bereft of alienation and the constraints of labor and division labor imposed on the (laboring )individual from outside. Marx’s 1859 assertion that the whole period of human evolution till now has been characterized by the “pre-history of the human society” precisely refers to the inhuman situation of the human individual which has prevailed till now where the individual’s subordination to an external power, alien to the individual, has
prevented the individual from the “development of all the human powers as such without being measured by any pre-established standard”, the “complete elaboration of human interiority”(Marx 1953:387). There is a remarkable passage in Marx’s 1857-58 manuscripts summing up the evolution of the status of the laboring individual through three stages: “The relations of personal dependence (first wholly natural) are the first social form in the midst of which human productivity develops (but) only in reduced proportions and in isolated places. Personal independence based on material dependence is the second great form only within which is constituted a general social metabolism made of universal relations, faculties and needs. Free individuality based on the universal development of the individuals and their domination of their common social productivity as their (own) social power is the third stage. The second creates the conditions of the third”(Marx 1953:75). The remarkable fourth section of the first chapter of Capital I carries over from the 1844 manuscripts the central theme of the alienation of the individual under commodity production and opposes it to the de-alienated “Reunion of free individuals”(Marx1987:109-10). In the same book Marx refers to the transformation of capital’s private
property into “individual property” under the future Association of free individuals (Marx 1987:683).\(^{14}\) Again, Marx’s famous discussion of necessity and liberty in the manuscript for the third volume of *Capital* is precisely built around the “socialized individual” in the free Association (Marx 1992:832). This whole emancipatory message has been conspicuously absent from the reality of ‘socialism’ of the last century. The only human and humane alternative to the inhuman reign of capital is *socialism*—understood as the “Association” or “(Re)union of free individuals”—as Marx envisaged it.

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\(^{14}\) This echoes what Marx had said in his 1871 Address on the Commune that it had made “individual property a truth” by transforming the means of production “into instruments of free and associated labor” (Marx 1971:75).


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