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## CONTENTS

YUGOSLAVIA AND THE REST OF THE BUFFER ZONE

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## YUGOSLAVIA AND THE REST OF THE BUFFER ZONE

By Michel Pablo

The international discussion which, in principle, really should have been centered on the special case of Yugoslavia has been transformed into a general discussion on the buffer zone, historical, perspectives, etc.

Such a development was more or less inevitable, but some comrades contributed greatly to precipitating these issues. Comrade Germain's article, in particular, which seeks to embrace all questions at once, polemicizes against comrades whom he does not mention by name, and to whom he attributes arguments gratuitously which he then zestfully destroys, at times making some impermissible associations and taking little care to quote exactly what different comrades, and myself personally, have really written. He raises imaginary dangers and constantly calls for theoretical caution in order to avoid ending up with a revision of Marxism, etc. All this, to my mind, does not help in clarifying the question. Three distinct questions, once again in my opinion, have been incorrectly mixed up: that of Yugoslavia, a special case in the buffer zone; that of the rest of the buffer zone; and that of the historical perspectives regarding the evaluation and development of Stalinism. All of these have been seasoned with a learned sauce and dished up with combative ardor against real as well as imaginary arguments (which I personally do not particularly care for, but that is not important), and in which all kinds of ingredients are to be found: from the "Social Republic" of Mussolini (1945) to Outer Mongolia with Burma thrown in for good measure.

I say three distinct questions bearing in mind that, to be sure, it is possible to establish connections between them (they are even inevitably inter-connected), but considering that it is possible to examine them separately going from one on to another without necessarily examining all of them at once and without putting them all on the same footing.

It may be said that I myself posed the general question of criteria in my article on the class nature of Yugoslavia, and that after that it was difficult to confine the discussion to the case of Yugoslavia alone. That is true. Only I undertook my examination of the case of Yugoslavia and came to the conclusions that I did on this case by basing myself on what was specific to Yugoslavia. I reserved for later examination the case of the rest of the buffer zone, although I did give some general indications on what I considered the correct method of approaching this latter question. For, if indeed what counts in establishing the class character of a regime from the Marxist point of view in the last analysis are property relations, and if statization of all the means of production, transport and exchange constitute property relations that are incompatible with a capitalist regime (no matter how "degenerated" it might be\*)

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\* It would be much more logical to call a capitalist state that can attain statization of all the means of production, exchange and transport a regenerated capitalist state. For, if such a possibility really existed for capitalism, it would mean considerable progress and in no sense a decline.

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it is nevertheless still necessary to see by what kind of action such a result has been reached, and if it has actually been reached, or if such a transformation has only just begun. From this point of view, the case of Yugoslavia is distinct from the rest of the buffer zone. I shall explain why.

#### A. Once Again on the Special Case of Yugoslavia

In my article "On the Class Character of Yugoslavia" I treated the Yugoslav case from the point of departure that a revolution of a special development had actually taken place in that country leading up to a seizure of power, to a radical transformation of capitalist property relations, to the destruction of the old capitalist state and the construction of a new state apparatus.

The definition I gave of Yugoslavia was the following:

"In my opinion, the present Yugoslav society is the product of revolutionary transformations brought about by the mass movement that the C.P.Y. led and which resulted in: the destruction of the old capitalist property relations and their replacement by the almost total statification of the means of production, exchange and transport as well as by the regime in agriculture described above; the destruction also of the old state apparatus and its replacement by a new apparatus based on committees led and controlled by a caste forming into a bureaucracy, which itself arose in its great majority from the revolutionary mass movement." (Int'l Bulletin, Dec. 1949.)

"Yugoslav society, consequently," I concluded, "has ceased to be a capitalist state."

What arguments are counterposed, by Comrade Germain in particular, to this definition and to this conclusion? Appearing to ignore what I have written, he speaks vaguely of comrades who "in order to prove the worker character of the Yugoslav state" evoke either "the proletarian revolution which was victorious in Yugoslavia" or "the nationalization of industry and wholesale trade and the loss of political power by the bourgeoisie." Somewhat further on, Comrade Germain refers to "comrades" (who?) who explain that Yugoslavia is a workers' state because (a) the revolutionary movement of the masses destroyed the old apparatus of the bourgeois state, and because (b) after this movement was halted the leadership of the CP eliminated the bourgeois parties and the bourgeois Cabinet members from the government by administrative means.

"In order to demonstrate that the Yugoslav state is a workers' state," Comrade Germain takes satisfaction in writing thereafter, "it does not at all suffice to explain that the masses destroyed the old bourgeois state; it is necessary to prove that the new state apparatus built in 1944-45 was an apparatus of a workers' state."

Once again, who advanced such arguments? The greater part of my article on Yugoslavia was devoted to demonstrating that in the course of the civil war intermeshed with the war of liberation, the social transformations and the construction of the new state apparatus, Yugoslavia abolished capitalism and became a state characterized

by new property relations and a new state apparatus defending these relations. In reality, Comrade Germain counterposes to this reasoning his schema of a "plebeian-communist" revolution begun in Yugoslavia in 1941, advancing up to 1944, then halting up to June 1948, the date of the break with the Cominform, and only then developing once again towards a workers' state, a stage which will be attained at some time in the indefinite future.

To bolster this schema, Comrade Germain refers mainly to the interim period 1944-45 of the Tito-Shubashitch agreement and government which halted the revolution and proceeded to the reconstruction of a non-worker state apparatus. No one will deny that this interim period in some respects actually signified a halt in the upsurge of the Yugoslav revolution. But it is the most arbitrary phantasy to exaggerate its importance and to say that this halt extended up to the break. The Yugoslavs themselves admit that they underwent at that time powerful pressure on the part of the imperialists and even of the Soviet bureaucracy. But they insist upon the fact that none of the political and social conquests of their struggle was endangered by the coalition for the simple reason that reaction had no real base among the masses and that the coalition was realized at the top between representatives of the masses and impotent shadows of the bourgeoisie.

Comrade Germain makes a big to-do about the "big cities" that had not yet been liberated at the time of this coalition and in which, so to speak, after their liberation, a state apparatus was rebuilt without the participation of the masses -- a non-worker, bureaucratic, etc. apparatus. "All the facts in our possession," Comrade Germain writes seriously, "confirm the impression that in the cities the committees were formed from the top, bureaucratically, without the participation of the masses, on the basis of proportional representation for the parties belonging to the People's Front and to the government." We would very much like to know these facts, because "our impression" (if it is a matter of impressions) is entirely different. There were, in reality, only two "big cities" not yet occupied by the Yugoslavs at the time of the entry of the Red Army: Belgrade and Nizza. In the rest of the country, which contains not a few big and middle-sized cities (and in which the main force of the Yugoslav bourgeoisie remained after the blows it had received from the Germans), the People's Committees were just as living, real and effective as elsewhere. No Yugoslav document mentions "facts" similar to those which Comrade Germain possesses.

As to his contention that the Committees were left dormant up to 1948 and that "mass action" no longer "played any role between 1945 and 1948" (the schema of the arrested revolution), this is entirely gratuitous and does not correspond to reality. The development of these Committees in number as well as in importance was generally continuous between 1941 and 1948 in Yugoslavia. The Yugoslav constitution adopted by the Constituent Assembly on January 31, 1946, at a time when, according to Tito, the network of the Committees already embraced "the entire territory," stipulates in its Article 6:

"The people exercise their authority through the medium of the freely elected representative bodies of the state power, the People's

Committees, from the local People's Committees to the Assemblies of the People's Republics and the People's Assembly of the Republic, which were born and have developed in the struggle of national liberation against fascism and reaction and which represent the fundamental conquests of this struggle." (Our emphasis).

Is this just rhetoric that has nothing to do with the facts and the reality? Several months later, in May 1946, the National Assembly adopted the first law on the People's Committees, designating them as the sole organs of state power over the entire territory. For "ever since their appearance (in 1941) the People's Committees" have in reality assumed "all the tasks that involve the state as a whole and applied all the measures of state administration." (Kardelj, People's Democracy in Yugoslavia, p. 147).

Kardelj, who gives statistical details on the continued extension of the network of Committees and the broadening of their functions, stresses that "without the extraordinary organizing activity and the many forms of initiative displayed by these Committees, we would not have been able even to imagine the tremendous success achieved in post-war reconstruction and in the building of socialism." (Ibid, p. 147). Once again, is this just rhetoric without any relation to reality?

During the formation of the Cominform in September 1947, in the report he gave on that occasion and which was published in the first number of the organ "For a Lasting Peace, for a People's Democracy," Kardelj underscored the special character of the Yugoslav revolution and the existence of the Committees as sole organs of state power over the whole territory.

At that time, only the Yugoslavs took this position on the proletarian and socialist character of their revolution and only Yugoslavia possessed a state apparatus based on the Committees.

The Yugoslavs have not theorized a posteriori, after the break, the real meaning of their experience, but were conscious of it long before then. For that matter, the period of the real ascendancy of the Yugoslav revolution, which resulted in a radical change of property relations, is situated precisely between 1945 and 1948. Far from coming to a halt, the revolution on the contrary took on greater amplitude and depth in that very period. From 1945 on "the state sector embraced nearly all of big industry, almost the entire banking system in its varied forms, all of foreign trade, all rail transport and nearly all maritime transport, the network of state agricultural lands, an important part of wholesale trade, etc." (Kardelj, Report to the Fifth Congress). Furthermore, agrarian reform had also been achieved by then.

But especially in 1947 could the radical change in property relations, these new relations defended by a state based essentially on the new apparatus of the Committees, be considered as completed. By 1947 the state sector actually embraced "all of industry, the entire banking system, transport, wholesale trade and nearly all of retail trade" (Kardelj, Report to the Fifth Congress). On the countryside, small goods production was linked to the state sector through the

intermediary of cooperatives and diverse other forms favoring the cooperative movement, while the state struggle to constantly repel and eliminate the capitalist elements was reenforced by a whole series of laws.

This whole state action was not carried out, and could not be, by the simple "administrative" means of which Comrade Germain speaks, but only through the participation of the masses organized in the Committees on which the state based itself. To see only the brief interval of the Shubashitch-Tito government which lasted a mere eight months (from March 1945 to October 1945) as wiping out the entire following period lasting from 1945 to June 1948, and to maintain that the revolution during that time was halted, stopped, is to try to jam the reality within the vise of an impossible schema.

By a line of reasoning which I cannot even begin to understand, Comrade Germain thinks that on the basis of this schema, of the revolution that was halted between 1945 and 1948, the break with the Kremlin in June 1948 can be explained better than with our analysis of the revolution as being in the full process of development between the years 1945-48 in spite of the partly bureaucratic leadership of the CPY.

The concept of an arrested revolution, in which the action of the masses has been replaced by "administrative action" of the bureaucratic state apparatus that is itself subordinated to the leading apparatus of the CP undergoing pressure from an "outside force" (the Soviet bureaucracy), makes entirely unintelligible the sudden leftward break of this leading apparatus with Moscow and the success of this break.

If the revolution was really halted in the course of some three years, and if during this whole long period the leading apparatus of the CPY, undergoing pressure from Moscow, accomplished the change of property relations in Yugoslavia "by administrative means" that stifled the initiative of the masses and dispensed with their support, then that would mean in reality, after all that happened in 1941-1945, an advanced bureaucratization of this apparatus, the prostration of the masses and an advanced isolation of this apparatus from these masses. How, then, explain the ensuing break and its success?

In my article, I do not at all speak of "a proletarian revolution which triumphed in 1944, then later on became bureaucratized, and having begun to degenerate, culminated in the very course of this process of bureaucratization in a break with the Kremlin." This argument may serve as a butt for Comrade Germain's reply, but it is not in any case my argument. I have considered, and I still consider, the Yugoslav revolution as being in the full process of development between the years of 1945 and 1948. Speaking of the Committees, I said that these committees "bureaucratic though they may be" and despite the fact that they really underwent in their development "a certain bureaucratic deformation," being led by a party which, for all of its other merits, went through a Stalinist education and still maintained relations with Moscow, "fulfilled a precise social role: they destroyed the economic and political foundations of the old ruling classes in Yugoslavia; they made possible

the change in property relations concretized in the statization of all the means of production, of exchange and of transport which exist in Yugoslavia today, as well as in the regime which characterizes agriculture; they replaced the old state apparatus by a new type of apparatus which up to the present defends (in its own fashion), consolidates and extends the new property relations."

Refuting that very argument of a revolution halted after 1945, I emphasized that "the property relations in Yugoslavia changed fundamentally in the period 1945-1947 and not previous to that time," and that the accentuation of all the anti-capitalist measures taken since that time does not at all square with the idea of the restoration of a capitalist state after 1945. To interject the break in order to maintain that only thereafter the revolution resumed its advance, and thus to open up a possibility of declaring that Yugoslavia has become a workers' state, does not appear to me to be a very substantial theoretical job. For more or less democratic functioning of the Committees and of the regime in general, in Yugoslavia can never be the decisive criterion to resolve the question of its class character.

It is incontestable that the break with Moscow favored and even impelled a more advanced democratization of the regime. But the revolution is permanent, I trust Comrade Germain will concede, in the sense that even when completed it does not stop at any conquest but continues to revolutionize constantly the social relations on every plane: economic, juridical, cultural, etc. Is it surprising that, freed from the yoke of Moscow, the Yugoslav revolution raises itself to new heights, becomes constantly more democratic, etc., etc.? At what point in the democratization of the Committees will Comrade Germain be prepared to drop his loose formula of the workers and peasants government, which he regards as the quintessence of the dialectic, for a precise sociological definition of the class character of Yugoslavia? Is this point dependent upon our own comprehension? This discovery of the workers and peasants government, which serves only to postpone a precise answer on the case of Yugoslavia, cannot withstand any serious test.

A workers and peasants government can continue to administer a state that is still fundamentally capitalist, and consequently that does not resolve the question of the class nature of the regime it governs. But a workers and peasants government which has also radically transformed the property relations in which the social content of a revolution is definitively given outer form is no longer some kind of workers and peasants government but the workers government of a state which has ceased to be capitalist.

To believe in the superiority of loose, "vague," "mobile" formulas in defining the class character of a country and of a state is bad dialectics. Trotsky did not spare his irony on Shachtman, to whom the class character of the state appeared to be "like an animal of an undetermined sex." (L. Trotsky, From a Scratch to the Danger of Gangrene.)

## B. The Rest of the Buffer Zone

It is scarcely possible to make headway in examining the class nature of the buffer zone without taking as a point of departure the conditions in which, within the territories occupied by the Soviet bureaucracy, there can develop what Trotsky called the military-bureaucratic action of the Kremlin and the results of this action.

All the difficulties we have encountered up to now in finding a satisfactory explanation of what is happening in the buffer zone arise, in my opinion, from two causes: first of all, from the fact that the comrades have been schematic in referring to the norms of such notions as the revolution, the action of the masses, the worker's state, and have difficulty in, if not an aversion for, understanding the deformation of these notions resulting from the military-bureaucratic action of the Kremlin; and secondly, from the fact that the notion of structural assimilation (itself badly understood) has been linked to the condition, posed by Trotsky supposedly, of the prior incorporation of territories occupied by the USSR.

### Structural Assimilation

If the word "metaphysics" applies at all, then it is surely in the case of the present interpretation, according to Trotsky supposedly, of the notion of structural assimilation.

Trotsky, who had occasion during the years 1939-40 to ponder the question of the territories occupied by the Soviet bureaucracy, gave us some precious indications on how to understand the bureaucracy's action in these territories. It would, however, be ridiculous to assume that these indications in themselves resolve all the problems posed after this war and that they suffice to clarify the problem of the buffer zone in particular, that is, of a zone occupied, controlled, dominated and exploited by the Soviet bureaucracy, a zone far wider in extent than that occupied by the Kremlin in the years 1939-1940.

Trotsky's approach continues to be extremely precious, nevertheless, because, while we must bear in mind the limited scale of the experience of the occupation of the territories by the Soviet bureaucracy in 1939-1940 to which they apply, this approach permits a far more correct orientation than that given by the present interpreters of Trotsky. When we read attentively what Trotsky wrote on the occupied territories, we arrive at a conclusion which differs essentially from that, for instance, of Comrade Germain. The correct interpretation of the two quotations of Trotsky to which Comrade Germain refers, as well as of their whole context, is not at all that "the bureaucracy will be forced to destroy capitalism in the regions it incorporates within the USSR," in the sense of the destruction of capitalism in the occupied territories taking place only after their incorporation in the USSR. The correct interpretation is just the contrary, that this destruction takes place before their incorporation. For these territories cannot, according to Trotsky, be incorporated, integrated within the USSR unless the property relations which characterize their social structure are previously aligned with those of the USSR.



Trotsky envisaged that the occupied territories would very probably become "part of the USSR." In what form, how? By the previous destruction (previous to incorporation) of the old property relations (by the expropriation of the big landowners and the statization of the means of production).

The abolition of capitalism, which Comrade Germain envisages in the occupied territories as a virtue that these territories will acquire after their formal incorporation in the USSR, Trotsky envisaged as a necessary preliminary to an eventual incorporation in the USSR. There is quite a difference, really.

Trotsky explained that the Kremlin, by its military-bureaucratic action, proceeds in the occupied territories to the abolition of capitalist private property in order to make possible their incorporation in the USSR. Comrade Germain explains (supposedly according to Trotsky) that capitalism cannot be abolished in these territories unless they are previously incorporated within the USSR. For Trotsky the destruction of the big landowners and the statization of the means of production, to which the military-bureaucratic action of the Kremlin led, signified the abolition of the old property relations in these territories so that they could eventually become integral parts of the USSR.

The abolition of the old property relations remained a fact; the incorporation was still only an hypothesis to explain the reason for the fact. As to the fact, Trotsky envisaged it as a result of the military-bureaucratic action of the Kremlin.

### "Military-Bureaucratic" Action

What does this term mean exactly? By military-bureaucratic action of the Kremlin, Trotsky understood the combined action of the pressure of the Red Army and of the masses of the occupied territories, impelled, controlled and directed by the Stalinist bureaucracy against the ruling classes in order "to abolish capitalist private property (in the occupied territories) in such a manner as to align their regime with that of the USSR."

This action is neither a purely "administrative" action nor a "cold"\* abolition of "capitalist private property" and of the old

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\*Except if we consider as "cold" action the effect of the presence or even the proximity of the Red Army and of the GPU on the decimated and demoralized former possessing classes of the buffer zone. To have the blood in their sclerotic veins frozen of fear could, strictly speaking, pass as something "cold," even very cold.

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state apparatus. Nor is it the classic action of the proletarian revolution. It is an action of a revolutionary character deformed by the control exercised upon it by the Stalinist bureaucracy.

The mass action which completes that exercised by the Red Army (and the GPU) is terribly deformed by the Stalinist leadership and

does not at all resemble that of a revolution developing freely. But it remains nonetheless an action destructive of capitalism, on the plane of property relations as well as on that of the state apparatus.

When Shachtman waxed ironical about the "civil war" which Trotsky foresaw in 1940 in Finland, the latter replied: "Naturally, this is a civil war of a special type. It does not arise spontaneously from the depths of the popular masses. It is not conducted under the leadership of a revolutionary party based on mass support. It is introduced on bayonets from without. It is controlled by the Moscow bureaucracy." And when the same Shachtman waxed ironical about the "committees of workers' control" which the Stalinists pushed forward in the occupied territories, saying: How is it possible to conceive of such committees in the occupied territories while they no longer exist in the USSR, Trotsky answered him:

"In the USSR workers' control is a stage long ago completed. From control over the bourgeoisie there they passed to management of nationalized production. From the management of workers -- to the command of the bureaucracy. New workers' control would now signify control over the bureaucracy. This cannot be established except as the result of a successful uprising against the bureaucracy. In Finland, workers' control still signifies nothing more than crowding out the native bourgeoisie, whose place the bureaucracy proposes to take. Furthermore one should not think that the Kremlin is so stupid as to attempt ruling eastern Poland or Finland by means of imported commissars. Of greatest urgency to the Kremlin is the extraction of a new administrative apparatus from among the toiling population of the occupied areas. This task can be solved only in several stages. The first stage is the peasant committees and the committees of workers' control." (In Defense of Marxism, p.136.)

This shows what a profound understanding Trotsky had of the contradictory nature of the Soviet bureaucracy and of its contradictory behavior in the occupied territories.

What happened after this war throughout the buffer zone is not essentially different in the last analysis from the military-bureaucratic action of the Kremlin in the years 1939-1940. The recent action has been more roundabout, more twisted, more deformed, unfolding under the conditions of a more complex relationship of forces between the Soviet bureaucracy, imperialism and the masses. But, in the long run, the action is developing in the same direction and under the same forces. After the very first phase of the occupation of the buffer zone, during which the bureaucracy believed it preferable to do without the active aid of the masses in dispossessing the bourgeoisie, the bureaucracy in the course of the ensuing stages mobilized the masses under its control and organized them so that they would be able to aid it, under diverse forms and at a different pace in each country, in controlling and dispossessing the bourgeoisie economically as well as politically.

The supporters of "pure" forms of revolution and mass action, etc., will naturally find it difficult to familiarize themselves with what has taken place and continues to take place in the buffer zone and will only see in all that a "cold" evolution, "administrative"

action and other fine abstractions which will permit them to avoid the fearful "revision" of Marxism on "The State and the Revolution."

### A Step Forward

The point on "structural assimilation" linked to the idea of previous incorporation within the USSR was fortunately rounded out during the Seventh Plenum of the IEC (April 1949) by the following resume:

"The factors enumerated above. . . can be reduced to one factor: the achievement of effective coordination and planning of the combined economies of these countries (of the buffer zone) organically linked to the economy of the USSR. Such an achievement could reverse the present decisive tendency of these countries to depend upon capitalist economy."

That could happen, the Seventh Plenum indicated, in the case of an "abolition of the national borders between the countries of the buffer zone" and the formation, for example, of a Balkan-Danubian Federation formally independent of the USSR.

While welcoming this step forward in the understanding and correct evaluation of the evolution of the buffer zone, it is necessary to admit that conditions and criteria which are still artificial in part are insisted upon before "the assimilation of the buffer zone to the USSR" can be considered realizable "by Stalinist action" (Resolution of the Seventh Plenum). For, even if we admit that the main obstacle to the assimilation of these countries to the USSR remains their dependence upon world economy, that the "capitalist mode of production" is still predominant -- as Comrade Germain writes -- in these countries "without a national bourgeoisie in power," with all the consequences entailed thereby for the character of the state (the state apparatus), it is possible to envisage the possibility that without a formal suppression of borders these countries can plan their economies together more and more and link them more and more to that of the USSR.

For that matter, Comrade Germain, who claims to defend the theses of the Seventh Plenum on the buffer zone in their entirety in his article, no longer speaks of the "Balkan-Danubian Federation." On the contrary, he slips in unsupported a phrase which leaves the door wide open to a new retreat on this very question. Here is the phrase:

"This gradual elimination (of the bourgeoisie from the political and economic life of the country by the military police apparatus of the Stalinist bureaucracy) will be thoroughgoing and complete only to the degree that, with or without formal abolition of the frontiers, the economy, police, army, propaganda administrations, clergy, etc. of these countries will have the same relations with the Kremlin as those of the Ukraine or Georgia, or, if you wish, of the Baltic countries." (Our emphasis.)

Despite the confusion (perhaps desired) of this formula "the same relations with the Kremlin" etc., the concession is a consider-

able one. Especially, when it refers to the Baltic countries which, despite their formal incorporation into the USSR, only underwent nationalization and collectivization after much delay.

What is important is not so much to follow the thought of Comrade Germain on all the peaks of abstraction but to bear in mind that he directly (without appearing to touch upon it) removes the last condition for a possible assimilation of the buffer zone to the USSR, which thus becomes realizable even without a formal suppression of the frontiers, while he drops the "Balkan-Danubian Federation" somewhere along the way.

The assimilation of the buffer zone to the USSR is possible without a previous incorporation into the USSR, without previous federation, without a previous formal suppression of the frontiers. That's the conclusion the discussion has attained up to the present. And that is a genuine step forward, which frees further examination of the question from some truly "metaphysical" obstacles.

### The Criteria of Assimilation

If we had to deal in the buffer zone with countries in which a proletarian revolution had taken place, where power was held by genuine revolutionary parties, and where the new state apparatus was built on the basis of genuinely democratic mass organs, the question of the class nature of these countries would be easy to solve. Even if we admitted that a "capitalist mode of production" still prevailed inside each country, and even if statization of the means of production were only partially carried through.

But in the buffer zone all the transformations which have taken place and are taking place, are the results of the military-bureaucratic action of the Stalinist bureaucracy, which holds the power and which utilizes a state apparatus that is still saturated with bourgeois elements, and especially a bureaucratic apparatus, with mass organs either non-existent or dominated and controlled by the bureaucracy. That is why difficulties arise in defining the class nature of the buffer zone, especially in relation to the criteria of a workers' state conceived as a result of a proletarian revolution and characterized by a proletarian state apparatus.

Nevertheless, for those who agree that the assimilation of the buffer zone to the USSR is possible by means of "Stalinist action" (that is, military-bureaucratic action) -- as the resolution of the Seventh Plenum envisages it -- and without previous incorporation into the USSR, without a formal Federation and without formal suppression of frontiers, the fundamental criterion which will express this assimilation must be the thorough-going transformation of the property relations in the buffer zone, the effective statization of all the means of production, transport and exchange.

Property relations definitively characterize every social revolution, every radical change in the class nature of a regime; and it is possible, necessary and sufficient, in taking this criterion as a point of departure, to define the class nature of a given society. It is a matter now of seeing if the statization of the means of

production, transport and exchange represents new property relations, incompatible with the notion of the capitalist state (no matter how degenerated or regenerated).

In order to minimize, to conjure away this criterion, some comrades -- Comrade Germain himself -- go through all sorts of intellectual exercises of very doubtful theoretical value. First of all they appear to ignore that I have nowhere confused "nationalization of heavy industry and of wholesale trade" with statization of all the means of production, transport and exchange; that I have dealt only with the latter and only in the case of a state formerly capitalist and not at all in just any case, like Burma or Outer Mongolia, for example, which Comrade Germain likes to refer to.

The difference between partial and general statization (nationalization), I have stressed, in the case of a capitalist, that is, not a colonial or semi-colonial country, in a country, that is, in which the capitalist\* mode of production is predominant, is not quantitative

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\*Most of the buffer countries were capitalist in this sense. Both Trotskyists and Stalinists have discussed this question in the Balkans. The Stalinists tried to fit them into the category of semi-colonial countries, basing themselves on the few vestiges of feudalism and on the imperialist hold on these countries, in order to justify their concept of a bourgeois democratic as against a proletarian revolution.

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but qualitative -- the transition from the one to the other is not reform but revolution.

To believe that a generalized statization which embraces almost all the means of production, exchange and transport is compatible with the notion of a capitalist state is a revisionist idea which can only lead its latter-day partisans to the concept of state capitalism. This is so true that Comrade Germain also has to refer to Engels and to declare that the conception of Trotsky in refuting the possibility of the statization of all the means of production by a capitalist state in "The Revolution Betrayed" (not on the plane of theoretical possibilities, but on that of the capitalist reality) is only of limited value.

Comrade Germain constantly speaks of the "nationalization of heavy industry and wholesale trade"; of the tendency of the bourgeoisie, in the period of the disintegration of capitalism, to undertake partial nationalizations; of the first nationalizations undertaken in the buffer zone during the coalition with the bourgeoisie, nationalizations which "the bourgeoisie could not avoid in any case, since it lacked the capital to take the place vacated by the collapse of German imperialism." Naturally such partial measures of nationalization are not at all incompatible with a capitalist state, and the tendency toward nationalizations in certain sectors and at certain moments is not incompatible with such a state either. But,

once again, it should be understood that between the partial and the general, between the tendency and the realization the difference is qualitative, and that is not at all compatible with a capitalist state.

Comrade Germain regards the extension of the nationalizations from heavy industry to light industry and trade in Czechoslovakia and Poland, for instance, as of secondary importance. A good Marxist knows that heavy industry is the key to control of the entire economy. Of what importance, then, can nationalization of light industry and trade be compared to the nationalization of heavy industry? For my part, I would say: Of enormous importance. Why? Because, if the nationalization of heavy industry can still be considered as a temporary measure which the bourgeoisie will accept, or rather undergo (while waiting for a more favorable conjuncture in order to proceed to denationalizations in the more lucrative branches) without thereby being expropriated as a class, the extension and the generalization of nationalization measures insofar as light industry and trade are concerned are measures which no capitalist state will undertake. For they actually mean the expropriation of the bourgeoisie in the person of its innumerable and scattered representatives, through whom capitalism (even though it is hard hit at the top), as well as the economic and political power of the bourgeoisie, is constantly reborn.

The political and social import of the extension of statization measures to light industry and trade is infinitely weightier than the nationalization of heavy industry -- particularly in countries of the structure of those in the buffer zone, where the main strength of the bourgeoisie resides precisely in these branches, as well as in agriculture. If these measures are supplemented by appropriate measures designed to overthrow and destroy the capitalist elements in the countryside, they form in their organic entirety a system of new property relations which no capitalist state can attain by its own evolution in any circumstances without at the same time negating itself as a capitalist state.

Within such new property relations characterized by the general statization of all the means of production, transport and exchange it is easy to say that a "capitalist mode of production" still continues to operate. In reality, the laws of capitalist economy operate in such a framework in a changed fashion and not automatically or blindly.

I will admit that up to the present I have not had the occasion to familiarize myself with this new question: how the laws of capitalism function in a state characterized by the statization of all the means of production, etc. But I am convinced that the theoreticians of state capitalism (whom Comrade Germain runs the risk of giving aid and comfort with some of his present conceptions) unduly exaggerate when they speak of a "capitalist mode of production" thus abrogating the profound changes which the laws of capitalism undergo within the framework of a state with a nationalized economy.\*

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\*In this connection I regard most of the Yugoslav criticism against the theoreticians of "state capitalism" in Yugoslavia as entirely justified, particularly the arguments of Kidrich in his report to the Fifth Congress.

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### The "Economism" of Statization

The opponents of the Trotskyist conception of the USSR have never ceased concentrating their fire on the "economism" of the criterion of the statized and planned economy which distinguishes the USSR from the capitalist states and which constitutes its superiority over the latter. Now Comrade Germain wants to introduce his own interpretation of Trotsky's thesis on the USSR (and of the reasons for the defense of the USSR) in this respect as well. In the process, he seeks to explain away what he calls Trotsky's "elliptic formulations," his not very "systematic" "theoretical expositions" etc. For, as a whole, Comrade Germain tells us, the true formula employed by Trotsky was that of "nationalized property resulting from the revolution." As against the "famous passage" in "The Revolution Betrayed" (see Appendix to this article) in which Trotsky "excluded the complete nationalization" of the means of production by a capitalist state, Comrade Germain prefers to recall the theoretical possibility put forth by Engels on this subject and only accepts Trotsky's thesis with reservations.

Once again I say that such arguments, put forward by comrades anxious at the same time to demonstrate their Marxist-Leninist and particularly Trotskyist orthodoxy, can only be grist to the mill of the state capitalism type of revisionists. But it is useless to try to pass off the statization of all the means of production, exchange and transport as compatible with capitalism's own evolution by explaining away the inadequacies of Trotsky's expositions on this subject.

Trotsky, basing himself on the capitalist reality of our epoch, that of monopoly capitalism, of imperialism (which far from expropriating the bourgeoisie by the state subordinates the state to the narrow group of monopolists and permits the reproduction of the bourgeoisie in the person of innumerable representatives of this class in the light industries, in trade and in agriculture) excludes the possibility of general statization of all the means of production, exchange and transport by the capitalist state, and ascribes this progressive task to the seizure of power by the proletariat (or its bureaucracy) which must expropriate the bourgeoisie in order to achieve this.

The question cannot be solved on the plane of theoretical possibilities, but on that of practice, of concrete experience, of the reality of capitalism, whose anarchic and antagonistic nature rebels against such an evolution.

The capitalist unification of Europe also is not excluded as a theoretical possibility. But it has failed up to now precisely for the same reasons which apply to the concrete nature of capitalism and its concrete contradictions in our epoch.

Nor is it a matter of referring to pre-capitalist regimes, or to experiences which never went beyond the form of paper decrees issued by an impotent force in a state of literal suspended animation as in that example of the "Social Republic" of the last days of Mussolini, which instituted state control of industry and not general

statization of all the means of production, a measure inconceivable without the general expropriation of the bourgeoisie. It is a matter of the statization of all the means of production, exchange and transport in a state previously capitalist, inscribed in the property relations, inscribed in life, that is, in real relations which could only be established as a result of the expropriation of the bourgeoisie (and not on paper).

All that is the case at present in the buffer countries in which statization of the means of production, etc., is general and inscribed in life as the new reality, as real new property relations which endure, develop and are defended by the state. When we say property relations we do not at all remain on the plane of pure "economism," on the plane of simple economic measures, for "in civilized societies," Trotsky writes, "property relations are fixed by law." Property relations imply political and social concepts. To be sure, the question of the state is not absent from this subject. Property relations are consecrated by law, are defended by the state, and in these conditions they constitute the social foundations of a given regime. To accuse us of "economism" because we apply property relations as criteria for the class nature of a state, is to demonstrate a regrettable confusion on a fundamental notion of Marxism; it opens the door wide to revisionism and, in our case in particular, to that of "state capitalism" on the Russian question.

#### The Present State of the Buffer Countries

If in each of the buffer countries statization of all of the means of production, exchange and transport were complete, we would not hesitate for a moment to declare that all these countries have ceased to be capitalist states and have become qualitatively assimilated to the USSR. But what complicates the situation in the buffer zone is the considerable differentiation which still exists between one country and another, as well as the importance of the agrarian question. The extent of statization as well as the weight of the agrarian economy in the general structure of each country, varies from country to country.

Statization in the domain of heavy industry and wholesale trade does not suffice for us to be able to speak of an effective statization of the means of production, transport and exchange. This alone does not constitute in any fashion a thorough-going transformation of property relations. The extension of statization to light industry and retail trade, as well as the measures to collectivize effectively the agrarian economy, are of a much more decisive political and social importance. For, as I have already said, these measures expropriate the bourgeoisie in the person of its innumerable representatives scattered throughout the various branches of the economy, through whom it is constantly reborn and within whom the principal force of the bourgeoisie in these countries resides in effect.

All the countries of the buffer zone are not as yet on the same plane, from this point of view. Thus, for example, in Poland retail trade in private hands still constituted at the end of 1949 some 40% of the total retail trade, while the cooperative movement on the countryside had hardly made any headway. Nevertheless recent measures



have almost completely statized all trade in these countries. In Hungary, statization of all industry was completed only with the recent decree of December 28, 1949.

It is difficult to say what the precise situation of each country is on the plane of statization, since there is a lamentable lack of reliable statistics, while new measures are constantly being announced.

It is nevertheless necessary to follow the constant evolution of the buffer zone in this sense and, from time to time, to note the extension of statization in the domains of light industry and trade, as well as the measures effecting agriculture.

On this last point, a few words of explanation are necessary:

Formal nationalization of the land does not quite solve this question, since even if this measure is taken, the usufruct of the land will have to be granted for a long period, as in the USSR, to isolated peasants and peasant cooperatives. Practically the same result as that of nationalization of the land is achieved by laws making impossible the sale of parceled lands, as well as by the constant elimination and repulsion of revived capitalist elements in the countryside. This is possible, for example, through advantages accorded by the state to working peasant cooperatives and through appropriate taxation depriving the kulaks of the possibilities of accumulation. In the long run, naturally, the actual disappearance of these elements depends upon the material possibilities of mechanizing the collectivized agriculture and of satisfying the peasant demand for industrial products.

When a system of measures is reached which practically establishes an almost general statization of heavy and light industry, of all industry, of all trade (foreign, domestic, wholesale, retail), accompanied by measures in the sense described for preparing the effective collectivization of agriculture, then the state characterized by such property relations, and which defends, strengthens and develops these relations, has ceased to be a capitalist state.

This criterion, and this criterion alone, can guide us in resolving the question of the class nature of the buffer zone. For, in these countries, where the regime is not the product of a genuine revolution and whose state apparatus is dominated by the Stalinist bureaucracy, thorough-going social transformations will only become definitively clear on the plane of property relations.

Has this stage been reached already by all the buffer countries? I repeat that a study of the buffer zone, undertaken from this point of view, must be concrete for each country, since considerable differences still exist among them and since, on the other hand, statistical data are lacking for a categoric assertion on each case.\*

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\*In my opinion there is the following order of approaching assimilation to the USSR at present: Czechoslovakia, Poland, Bulgaria, Hungary, Rumania.

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But what I regard as much more important immediately than a concrete answer on each buffer country, is to recognize: (a) that the tendency to assimilation remains open in the buffer zone, without formal incorporation into the the USSR, without a formal Federation, without formal suppression of frontiers; (b) that any study for the purpose of ascertaining the class nature of each buffer country must take as point of departure the point of view I have already put forward; (c) that the trend of the measures taken up to the present, for all the buffer countries, remains in the direction of assimilation.

This last point is important, for it constitutes a valuable index for the direction to follow in our research on the class nature of the buffer countries.

A capitalist state can adopt some statizations, can undergo for a short time statizations imposed by urgent necessity and the pressure of the masses, but in no case will tend to generalize statization, to strengthen and defend it, as is the case at present in all the buffer countries.

There is still one more point to examine before closing this chapter. I intentionally wrote that these countries, as soon as they reach the degree of statization described, will cease to be capitalist and I did not deduce immediately that they must therefore be considered as workers' states. In truth, it seems to me to be indispensable above all to abandon this capitalist designation, for even if we employ this term for the buffer countries with all the present reservations, we are sowing a terrible confusion, we falsify the practical, political implications, and we open the door to the revisionism of state capitalism.

Instead of underscoring and putting emphasis on the fact that statization of all the means of production, exchange and transport is incompatible with the intrinsic evolution of a capitalist country and that, consequently, a state which has reached this stage becomes something qualitatively different from a capitalist state; instead of indicating that the only means employed by history up to the present in order to attain such a type of state have been either the proletarian revolution or, under given conditions, the military-bureaucratic action of the Stalinist bureaucracy, this kind of possibility is left open to capitalism and the real expropriation of the bourgeoisie in the buffer countries is passed over in silence.

I leave aside the practical implications for our program in the denomination of these buffer countries as capitalist. The denomination workers' state does not result automatically from the assertion that a state has ceased to be capitalist. This denomination is valid (and in a very precise sense) only for those who reject state capitalism (as a new phase of the organic evolution of capitalism in our epoch) as well as the theory of "bureaucratic collectivism."

For those who remain faithful to the Trotskyist interpretation of the USSR and of Stalinism, the denomination of the buffer countries, as soon as their assimilation to the USSR should be considered completed, cannot be other than that of deformed workers' states (bureaucratically deformed workers' states).

I do not want to repeat in this article what I wrote in my previous article. I shall confine myself to pointing out that the Trotskyists, in basing themselves on the real development of the revolution and of the USSR in our epoch, and on the implications of its degeneration, have assumed (and thereby achieved real progress in Marxist theory) that between capitalism and socialism there will be an entire historic period and a whole gamut of transitional regimes which, while ceasing to be capitalist, will undergo various degrees of evolution with regard to one another and in relation to socialism in which the state (state apparatus) will be more or less deformed by the bureaucracy; in which the (deformed) laws of capitalism will continue to operate to some extent or another, and in which all these difficulties and obstacles will be overcome only by the extension of the revolution on the world arena. From this point of view the buffer countries can cease to be capitalist without resembling each other in every point and without resembling the USSR in every point, and also without the degree of their evolution from capitalism to socialism (an evolution which is not necessarily continuous, along a straight line) being the same at every instance for all these countries.

But their inevitable differences, as long as the new property relations characterized by the statization of all the means of production, exchange and transport persist, will place them beyond capitalism in the transitional period between capitalism and socialism.

All the objections concerning the dependence of the buffer countries upon the world market, the obstacles to planning, etc., are valid in relation to the possibilities of these countries marching toward socialism and not falling back into capitalism.

But as long as they persist in the statization of all the means of production, exchange and transport this will signify that they have managed, in spite of everything, to dominate the capitalist tendencies that pull them backwards, and consequently, that a beginning in planning will also be possible. If the capitalist tendencies really gain the upper hand in these countries, the framework of the property relations will also be disrupted, for this framework is not merely of formal value, is not something aside from the content, but conditioned by the content.

All this seems to me to be a necessary deduction from the theoretical capital of our movement as applied to the buffer zone.

Let the builders of schemas and guardians of norms rest content with their "faithfulness" to Marxism. Marxism repudiates from the depths of its nature all those incapable of grasping the rich and complex content of life which breaks down schemas and fertilizes thought by the constant application of new experiences and the concrete advance of the transformation of our society.

### Stalinism and Revolutionary Perspectives

At the bottom of the conservatism in the understanding of the buffer zone and of Stalinism in general (a conservatism which is interpreted as a sign of faithfulness to our program) lies the fear of attributing a progressive role to Stalinism, of considering

Stalinism as capable of destroying capitalism on a world scale by its "administrative-terrorist" means. The logic of this reasoning is strange and, for my part, unexpected, I must admit.

Take, for example, the main argument put forward by Comrade Germain which permits him to wave the specter of a "revision" of our strategy before the crowd of the "orthodox" and thus to sow among them the holy terror with which he himself has been the first to be affected.

In the event of a third war, Comrade Germain argues, it is possible that the "exceptional conditions" created after that war -- namely: (a) the crushing economic and military superiority of the USSR over the Western European countries and the greatest part of South-East Asia; (b) the advanced decomposition of capitalism in these countries; (c) the impossibility for the labor movement to "free itself from the Stalinist strait-jacket" -- will all be reproduced. In that case the comrades who are partisans of the idea of an assimilation of the buffer zone without formal incorporation into the USSR must -- according to Comrade Germain -- conclude that there is a "possibility of a growth and development of Stalinism on an international scale in the years and decades to come!" This argument falls with its premise, for our movement has never judged the "efficacy" of Stalinism in relation to what this "efficacy" could be in case of a war ending victoriously for the USSR.

To go in for this kind of reasoning is really to fall for the Stalinist logic (of the Stalinist militants, that is) that envisages the revolution only as a consequence of the war and the advance of the Red Army. What the bureaucracy can do in case of "exceptional conditions" which would assure it of a victory over capitalism and the proletariat cannot in any way serve as a criterion for justifying Stalinism. We have always condemned the latter for its "inefficacy" in destroying capitalism on an international scale so that war could be avoided, for the favorable outcome of the war for the USSR can never be a guarantee as long as capitalism dominates in the world.

What the behavior of the Soviet bureaucracy could be in the case of a victory against capitalism and the proletariat (in the case of Comrade Germain's "exceptional conditions") is really a "metaphysical" fashion of solving the question of whether Stalinism is "efficacious" and historically justified or not.

The real problems in politics are not the theoretical possibilities, the theoretical speculations, the imaginary and exceptional situations, but those which arise out of the concrete reality. If capitalism, disintegrating, vanquished, cedes its place to the bureaucracy, and if the proletariat proves to be incapable of "freeing itself of the Stalinist strait-jacket," what principled reason would there be for the bureaucracy to refuse to occupy, to prove incapable of occupying, the place vacated by the bourgeoisie and of thus increasing on a much more vast international scale its power and its revenues?

But that is not the real question.

Stalinism, judged by its overall action, remains a definitively counter-revolutionary force for all of the following reasons:

a. because in the capitalist countries it does not fight consciously for the proletarian revolution, but continues to utilize the labor movement as a means of pressure on the bourgeoisie and on imperialism for the exclusive interests of the Kremlin;

b. because in the USSR the bureaucracy is obstacle No. 1 in impeding the free socialist development of the country and menaces its very foundations;

c. because in all the buffer countries the destruction of capitalism is achieved under conditions which impose upon the masses historically unnecessary suffering and useless burdens, alienating their sympathies from the regime, obstructing the free socialist development of these countries and threatening the economic and social conquests achieved.

Under these conditions the destruction of capitalism in the buffer countries, progressive though that may be in itself, does not at all wipe out the counter-revolutionary character of the Stalinist policy in its entirety. Under these conditions also, Stalinism operates in the last analysis, objectively, not for the victory but for the defeat of the USSR in the Third World War.

As to the revolutionary perspectives, our perspectives, it is necessary to take as a point of departure the new situation in which Stalinism has been placed after the last war, and not to be content with summary judgments based on the past.

When we spoke of Stalinism before the war, we understood by and large the Soviet bureaucracy directing and controlling the Communist parties throughout the world, who were acting as simple pawns playing the game exclusively in the interests of this Soviet bureaucracy. To speak of Stalinism and of the expansion of Stalinism today in this same sense is an abstraction which distorts the real content of these terms.

Experience has shown in the case of Yugoslavia that, first of all, certain Communist parties, in a favorable conjuncture, when they are linked with a real revolutionary movement of the masses, can detach themselves from the yoke of the Kremlin and begin to act on their own. Consequently, to regard every victory achieved by a Communist party as synonymous with a victory of Stalinism, that is, a victory of the Soviet bureaucracy, is an absurd generalization, a mistake.

The case of Yugoslavia is of enormous theoretical importance, as it relates, moreover, to an understanding of Stalinism, to the meaning of its expansion, as well to the revolutionary perspectives that flow from this expansion.

From this point of view it is, for example, entirely inadequate to speak of the situation created in China by the victory of Mao Tze Tung as of a pure and simple expansion of Stalinism, and to see only

one aspect: the incontestable immediate strengthening of Stalinism (as the ideology and politics of the Soviet bureaucracy) in all of Asia and the colonial world in general. For in China, the victory of Mao Tze Tung is the achievement of a powerful mass movement led by the Chinese Communist Party, which dispensed with direct aid from the Soviet bureaucracy and which at the same time pulled away from direct control by this bureaucracy.

A new situation has been created in China which it would be disastrous to confuse with a pure and simple expansion of Stalinism, that is, of the Soviet bureaucracy. If the Kremlin wants to avoid a break with Mao Tze Tung in the near future, it will be forced to treat him as a partner and not as a subordinate. That is in itself a departure from the fundamental line of conduct of the Kremlin up to the present and introduces in a way an element of duality in the leadership of the workers' movement influenced by Stalinism.\*

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\*The Chinese already pose as the leaders of the anti-imperialist revolution in Asia and in all the colonial countries. In the programmatic speech which Liu Shao Chi, president of the Chinese Trade Unions, delivered to the Conference of Trade Unions of Asia and Oceania, he attempted to theorize the lessons of the Chinese experience and their validity for all colonial peoples. The name of Stalin was not even mentioned; only that of Mao Tze Tung.

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It is difficult to predict the exact consequences of this new situation, but there can be no mistaking the inevitability and the extent of this process in the coming years.

The introduction of a China led by the Communist party into the Stalinist system is a factor in the differentiation within this system. Experience has shown, moreover, in the case of Yugoslavia as well as that of the rest of the buffer zone, in which a permanent wave of purges is raging which hits at the summits themselves, that the "Russification" of these countries, that is, their submission to absolute and direct control by the Soviet bureaucracy so that they will blindly serve its interests, is not an easy thing.

This attempt is provoking a fierce resistance on the part of the masses, a growing discontent whose deformed echo rises up to the very summits of the Communist parties and is expressed by many forms of opposition of several of their cadres to this policy.

Especially in those countries where the Communist party represented a real force in the labor movement (Bulgaria, Czechoslovakia) this resistance is naturally more extensive and more tenacious. Once in power, the Communist parties in these countries have a tendency to partly play their own game and to resist playing the role of simple pawns which the Soviet bureaucracy assigns to them. In order for them to remain a leading political force in these countries, the Communist parties must maintain and increase their links with the masses and take heed, to some extent, of the reactions of the masses.

On the other hand, the Kremlin can only pursue its policy of "Russification" by disrupting its own Communist parties as organisms having any kind of autonomous character and any kind of sensitivity to the pressure of the masses, and by replacing these with a bureaucratic police apparatus directly controlled by it.

All this is sufficiently illustrated by what has happened and continues to happen at present in all the buffer countries and particularly by the recent experience in Bulgaria, Czechoslovakia and Poland.

Consequently, the expansion of the Soviet bureaucracy is not only a strengthening of Stalinism, but at the same time a ferment of crisis, a factor in aggravating the organic crisis of Stalinism and a convulsive element in the internal disintegration of Stalinism.

Reality is dialectical and must be understood as such. There are no comrades who say, as Comrade Germain claims, "that the destruction of Stalinism will come about through its extension," that is, that this destruction will be brought about by extension and that consequently it is necessary to base ourselves only on this extension, and desire only this extension. Correctly expressed, the formula (if one requires a formula to condense a whole line of analysis and of reasoning) should be the following: The expansion of the Soviet bureaucracy brings about not only a strengthening of Stalinism, but also powerful factors of crisis and disintegration for Stalinism.

The period in which we are living is revolutionary in the most profound sense of the term. It is the period of the revolutionary transformation of our society, a transformation which is being realized in a fashion far more complex, more tortuous and richer in historical combinations than our teachers thought it would be. It is also the period in which, despite appearances, Stalinism is entering the process of disintegration. The concrete forms, the detours, the time schedule of this disintegration are difficult to determine at present. But there is no possible stabilization or historic future for Stalinism.

Never has our revolutionary optimism, our faith in the program of the Fourth International had cause to be greater. Our movement alone can once again be in the current of history if it demonstrates the same capacity as in the past to look the new reality in the face, to analyze it and understand it with the aid of its theoretical capital and its experience. We have nothing essential to "revise." We simply have the duty to bring our policy up to date, to understand, as in the past, the new situation, the new problems; to assimilate them well in order to be able to act more effectively.

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It would be serious to underestimate the importance of the discussion taking place in the International. It has many points of interest, but I will confine myself in concluding to indicate what, in my opinion, are its most important aspects:

On the general theoretical plane this discussion deals basically with the manner of applying Marxism to the study of concrete new problems and to avoid the pitfalls of abstractions, generalizations devoid of content and sterile schemas. On a more particular theoretical plane this discussion concerns the Trotskyist understanding of Stalinism, which is indispensable for a correct policy, in view of its contradictory behavior and its turns.

On the practical plane, the implications of this discussion are no less important. I shall make a distinction between those concerning the special case of Yugoslavia and those concerning the rest of the buffer zone.

To arrive at a precise definition of the class character of Yugoslavia is not a matter of secondary importance; it is linked directly with our present campaign of defending Yugoslavia against the Kremlin. In reality our entire campaign on this subject is being carried on in a sense which implies that we consider Yugoslavia as a non-capitalist state. Our campaign for the defense of Yugoslavia would naturally be of an entirely different character if we proceeded from the opinion that it was still a capitalist country.

Analogous considerations enter into the picture in the case of the rest of the buffer zone. To the degree that these states are assimilated to the USSR, a reformulation of our tasks in these countries will become necessary, and the question of their defense against imperialism will be posed.

This is the real import of the discussion, and it would be well for the comrades participating in it to bear in mind its scope.

February 1950



APPENDIX

TROTSKY ON "STATE CAPITALISM"\*

We often seek salvation from unfamiliar phenomena in familiar terms. An attempt has been made to conceal the enigma of the Soviet regime by calling it "state capitalism." This term has the advantage that nobody knows exactly what it means. The term "state capitalism" originally arose to designate all the phenomena which arise when a bourgeois state takes direct charge of the means of transport or of industrial enterprises. The very necessity of such measures is one of the signs that the productive forces have outgrown capitalism and are bringing it to a partial self-negation in practice. But the outworn system, along with its elements of self-negation, continues to exist as a capitalist system.

Theoretically, to be sure, it is possible to conceive a situation in which the bourgeoisie as a whole constitutes itself a stock company which, by means of its state, administers the whole national economy. The economic laws of such a regime would present no mysteries. A single capitalist, as is well known, receives in the form of profit, not that part of the surplus value which is directly created by the workers of his own enterprise, but a share of the combined surplus value created throughout the country proportionate to the amount of his own capital. Under an integral "state capitalism," this law of the equal rate of profit would be realized, not by devious routes -- that is, competition among different capitals -- but

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\*As to Engels' reference (Anti-Duehring, p.303-305, Int'l Pub.), a reference which supposedly justifies "state capitalism," an attentive study of the entire passage shows the following: (a) That Engels, like Trotsky, is referring essentially, to the tendency of the bourgeois state to take "direct charge of the means of transport or of industrial enterprises" (Revolution Betrayed, p.245), to make up the deficiencies where private capital (because of its limited scope) is incapable of permitting a different form of capitalist exploitation, or to derive supplementary sources of revenue. (b) In the famous note which accompanies this passage of Engels, he points out that the tendency to statification manifests itself "when the means of production or communication have actually outgrown management by share companies," and it is only then that "their transfer to the state has become inevitable from an economic standpoint" (emphasis in original). "...It is only then that this transfer to the state even when carried out by the state today, represents an economic advance, the attainment of another preliminary step toward the taking over of all productive forces by society itself." (c) Finally, it is necessary to note that Engels in that day little suspected the enormous concentration of monopoly capital which followed his epoch.

I hope to find an occasion in the course of the present discussion to return again to the analysis of this passage of Engels as well as to the meaning attached by Lenin to "state capitalism," to which the partisans of this theory refer.

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immediately and directly through state bookkeeping. Such a regime never existed, however, and, because of profound contradictions among the proprietors themselves, never will exist -- the more so since, in its quality of universal repository of capitalist property, the state would be too tempting an object for social revolution.

During the war, and especially during the experiments in fascist economy, the term "state capitalism" has oftenest been understood to mean a system of state interference and regulation. The French employ a much more suitable term for this -- etatism. There are undoubtedly points of contact between state capitalism and "state-ism," but taken as systems they are opposite rather than identical. State capitalism means the substitution of state property for private property, and for that very reason remains partial in character. State-ism, no matter where -- in Italy, Mussolini, in Germany, Hitler, in America, Roosevelt, or in France, Leon Blum -- means state intervention on the basis of private property, and with the goal of preserving it. Whatever be the programs of the government, state-ism inevitably leads to a transfer of the damages of the decaying system from strong shoulders to weak. It "rescues" the small proprietor from complete ruin only to the extent that his existence is necessary for the preservation of big property. The planned measures of state-ism are dictated not by the demands of a development of the productive forces, but by a concern for the preservation of private property at the expense of the productive forces, which are in revolt against it. State-ism means applying brakes to the development of technique, supporting unviable enterprises, perpetuating parasitic social strata. In a word, state-ism is completely reactionary in character.

The words of Mussolini: "Three-fourths of Italian economy, industrial and agricultural, is in the hands of the state" (May 26, 1934), are not to be taken literally. The fascist state is not an owner of enterprises, but only an intermediary between their owners. These two things are not identical. "Popolo d'Italia" says on this subject: "The corporative state directs and integrates the economy, but does not run it ("dirige e porta alla unita l'economia, ma non fa l'economia, non gestisce"), which, with a monopoly of production, would be nothing but collectivism." (June 11, 1936.) Toward the peasants and small proprietors in general, the fascist bureaucracy takes the attitude of a threatening lord and master. Toward the capitalist magnates, that of a first plenipotentiary. "The corporative state," correctly writes the Italian Marxist, Feroci, "is nothing but the sales clerk of monopoly capital. ...Mussolini takes upon the state the whole risk of the enterprises, leaving to the industrialists the profits of exploitation." And Hitler in this respect follows in the steps of Mussolini. The limits of the planning principle, as well as its real content, are determined by the class dependence of the fascist state. It is not a question of increasing the power of man over nature in the interests of society, but of exploiting society in the interests of the few. "If I desired," boasts Mussolini, "to establish in Italy -- which really has not happened -- state capitalism or state socialism, I should possess today all the necessary and adequate objective conditions." All except one: the expropriation of the class of capitalists. In order to realize this condition, fascism would have to go over to the other side of the barricades -- "which really has not happened

to quote the hasty assurance of Mussolini, and, of course, will not happen. To expropriate the capitalists would require other forces, other cadres and other leaders.

The first concentration of the means of production in the hands of the state to occur in history was achieved by the proletariat with the method of social revolution, and not by capitalists with the method of state trustification. Our brief analysis is sufficient to show how absurd are the attempts to identify capitalist state-ism with the Soviet system. The former is reactionary, the latter progressive.

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