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## Contents

THE SOVIET UNION TODAY

(Discussion Draft)

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## THE SOVIET UNION TODAY (Discussion Draft)

World War II and the decade of cold war have confirmed the class nature of the Soviet Union as a degenerated workers' state. The October 1917 conquests of the permanent revolution on Russian soil have survived despite and against the nationalist bureaucracy. The evolution of Soviet society remains internally determined by the conflict between the ruling caste and the needs and interests of the Soviet masses; externally the most fundamental social contradiction is between the USSR and world capitalism.

The Stalinist bureaucracy has been compelled to defend the Soviet economic foundation in its own way, with its own methods, and in its own interests. Its primary aim was and is to defend its positions of power, privilege and revenues as a caste that has expropriated the Soviet workers politically. The Soviet workers, like the advanced workers internationally, defended the USSR in an entirely different way and with diametrically opposite aims. They safeguarded the revolutionary conquests in order to expand them beyond the Soviet borders; they fought to extend not the privileges of the bureaucracy but the socialist revolution; they aimed not at a new status quo but the abolition of world capitalism and the institution of the world socialist order.

While the Soviet masses and the bureaucracy were striking together at the same enemy, they remained nevertheless in uninterrupted conflict during the war and the cold war.

### Soviet Masses and the Bureaucracy

The mass of the people, the workers in the vanguard, rallied to the defense of the October conquests; the bureaucracy rallied to continue its war against the permanent revolution. When the disastrous defeats in the initial phases of the war compelled the arming of the masses, the bureaucracy proceeded at the same time to mobilize every reactionary force: The chauvinist "Holy Russia" campaign and equally poisonous anti-German campaign, the institution of a super-privileged officer caste, the militarization of the entire bureaucracy including the diplomatic staff, the state sponsorship of the Orthodox Church, etc.

In wartime the Soviet workers en masse performed miracles on production lines; the bureaucracy responded by intensifying the differentiation in workers' ranks, spurring the growth of privileged layers. The mass zeal to sacrifice continued through the reconstruction period; so did the bureaucracy's maneuvers to consolidate its oppressive rule.

The oppressed nationalities tried to seize the opportunity of the war to liberate themselves. The bureaucracy replied with totalitarian reprisals against the Ukrainians, the Poles, the Baltic nationalities, the Volga Germans, the Kazaks, the Chechens and other Georgian and Central Asian nationalities. This struggle, too, continued into the postwar period. It cannot be repressed.

The new postwar moods, the demands for better living and working conditions, for the relaxation of the totalitarian regime, etc., are peacetime expressions of the inner urge of Soviet society to get

rid of the Stalinist incubus. The opposition to the regime is strikingly expressed in the growth of political prisoners.

### The Revolution in Permanence

The destiny of the Soviet Union was decided not on the military map alone but on the map of the class struggle. The 1917 Revolution proved its vitality when after the first defeats, the Soviet masses rallied for the struggle at the fronts and on the production lines. In Hitler's rear, in Yugoslavia, Greece, Italy, France, etc., the partisans did more to demoralize and disintegrate the Nazis than the strategic bombing raids and other military actions undertaken by the "democratic" imperialists. The Third Chinese Revolution stymied the cold war and the preparations for the all-out assault upon the USSR.

The 1917 Revolution proved its dynamism over again when the Soviet economic forms extended beyond the Soviet borders, into eight European countries, into China, North Korea, North Vietnam. One third of the human race has abolished capitalism. The proletarian revolution which started on Russian soil could not be contained despite the imperialists and the Stalinists. It has proved its permanence. It has proved that October 1917 is only the prelude of a world process which leads inexorably to the socialist triumph. The Kremlin bureaucracy has fought the theory of the permanent revolution savagely and has carried on a systematic war of annihilation against its partisans. Owing to the crisis of proletarian leadership, the Stalinist bureaucracy has been able to disorient and defeat the workers of the advanced countries and in this way prevent the fusion of their struggle for socialism with the workers' struggle in the Soviet Union.

The Kremlin disarmed the workers in France and Italy and handed state power back to the capitalist class of France and Italy. The very first defeats of the Hitlerites opened the way for the German workers to rise; the Kremlin appealed not to the workers but to dissident Nazi generals. The victory of the USSR over Hitler could have assured the rise of a Communist Germany. Stalin & Co. averted this by quartering the country, using the bayonets of the occupation forces to suppress the German workers. They fear the advanced proletariat no less than do the imperialists, and for the same reason. The Western workers can and will carry out the socialist revolution. They will tolerate neither the rule of imperialism nor that of Stalinism. The East German workers have demonstrated the manner in which the advanced European working class will deal with the bureaucracy.

By defeating the advanced workers, the bureaucracy has been able, as Trotsky put it, to warm its hands at the fires of revolution. Under duress of imperialist attack it has permitted revolutionary successes to be scored only in countries where it was in a position to beat the masses back and impose its rule.

### The Extension of Soviet Economic Forms into Europe

At the outbreak of World War II, the Kremlin's aims were limited by considerations of military self-defense. They led to the Hitler-Stalin pact which was supposed to keep the Soviet Union out of

the war, allow the bureaucracy to play quartermaster to Hitlerite Germany; and by way of payment for the services and as safeguards against attack, permit the occupation of the Baltic countries, Western Ukraine, etc.

With the Soviet victory over Hitler, the Kremlin obtained East Europe as its sphere of influence in return for guaranteeing capitalism in West Europe. Up to February 1948 the Kremlin bureaucrats sought to exploit these countries on a capitalist basis, in collaboration with the native bourgeoisies and the imperialists.

They improvised. They confiscated German assets as war booty, along with the property of the native collaborators; they imposed reparations. Some plants were dismantled; others were continued in operation under Soviet ownership or through joint stock companies.

Despite the bureaucracy's efforts the conflict between capitalist relations and Soviet economic forms could not be avoided. Stalinist betrayals in Western Europe, the liquidation of the civil war in Greece, withdrawal from Iran, etc., were not enough for imperialism. American imperialists in alliance with the West European capitalists launched their cold war against the USSR, in preparation for World War III. The bureaucracy found itself under direct fire: the Truman Doctrine, the Marshall Plan, the threat of military assault coupled with economic blockade. The booting out of the Stalinists from the French and Italian cabinets meant the untying of the hands of the bourgeoisie for the projected onslaught. In self-defense, the Soviet bureaucracy had no choice except to wrench loose the countries of Eastern Europe from their dependence on imperialism.

The wrenching of one-half of Europe from the capitalist orbit had to be carried out as an emergency operation. It placed heavy burdens upon the masses in the satellite countries.

Responsible for the economies of East European countries the Kremlin had to dismantle the improvised structure previously rigged up. The bureaucracy could substitute no economic forms other than Soviet forms. The Stalinists were compelled to destroy capitalism. They could do so only by bureaucratic-military means. They had prevented the masses from taking power and abolishing capitalism when the Soviet armies entered these countries; they maintained capitalist relations and cohabited with capitalist politicians with the aid of Soviet bayonets. When a turn-about was imposed on them by the assault of the imperialists, they provided an impulsion to the mobilization of the workers, restricted it carefully throughout, and set up the rule of their native agents.

The Moscow oligarchy understands that it cannot rule in the satellite countries except through native representatives. But the asset of puppet regimes is negated by this, that the native Stalinists have little standing and less mass support in their respective countries, a liability that is bound to become more and more pronounced in the future.

With the extension of Soviet economic forms the Kremlin bureaucracy found itself improvising substitute means for directing, de-

veloping and coordinating the economic life of half of Europe. This, in its turn, gave rise to a new set of relations, obligations, responsibilities and new contradictions for the Stalinist bureaucracy. On the USSR's western borders there were no longer capitalist, predominantly agricultural countries, but nationalities who economically as well as traditionally, by their customs and living standards had been integrated with Western Europe but now severed from it. This aggravates the decay of European imperialism and at the same time generates new centrifugal forces against Stalinist rule in the USSR.

Control over half of Europe poses directly the question of organizing the whole of Europe. The retention in Eastern Europe of national boundaries, national currencies, tariff walls, etc., brings to the fore the long delayed need of the Balkan Federation. Again, the conflict of Great-Russian bureaucrats with the oppressed nationalities has now been extended to seven other countries. The bureaucratic methods of rule and administration weigh most heavily on these newly acquired territories.

The Kremlin is the chief obstacle in the way of federating the countries of Eastern Europe; it is the chief force imposing the retention of national boundaries between these countries as well as retaining the frontiers between them and the Soviet Union. The self-interests of the bureaucracy dictate this course. By atomizing these countries the Great-Russian chauvinists are enabled to subordinate them politically, militarily, and economically to their rule. The rise of revolutionary China makes this reactionary course all the more indispensable. Federation with undeveloped China they wish to avoid at all costs.

In East Europe the well-to-do peasants remain dominant in agriculture while the collectives play a subordinate role. The clash between the capitalist relations in the countryside and nationalized industry cannot be indefinitely postponed. A head-on collision between the bureaucracy and the peasantry still lies ahead.

The workers in the satellite countries have rich revolutionary traditions; their living and working standards have been higher than those the bureaucracy imposes on them; they are smarting under the double oppression of native parasites operating under orders of a foreign bureaucracy. Their dissatisfaction and resistance has already reached the point of open conflict (strikes, demonstrations, underground activity, etc.). The showdown between the bureaucracy and the workers likewise lies ahead.

### The Yugoslav Revolution and the Kremlin

The Yugoslav revolution, erupting simultaneously with Hitler's assault upon the USSR, developed a tempo independent of the Kremlin's course and policy. The Soviet bureaucracy sabotaged the Yugoslav revolution not simply in the interests of their alliance with the "democratic" imperialists, but above all from fear lest World War II be transformed into the proletarian revolution. With the end of the hostilities, the Yugoslav revolution tended to become a pole of attraction to the East European countries. Particularly so in the Balkans, where the slogan for the formation of the Balkan-Danubian

Federation came close to becoming realized in life. The Kremlin was alarmed.

The proletarian nature of the Yugoslav revolution worried the Soviet bureaucracy the most. At a time when elsewhere in Eastern Europe the Kremlin was busy improvising coexistence policies with the capitalists, the revolution in Yugoslavia passed over to the destruction of capitalist relations. After a long series of maneuvers to "peacefully contain" the Yugoslavs (permeation by secret police, imposition of restrictive trade agreements, pressure through the Cominform, etc.), the Kremlin broke with Belgrade and clamped on an economic blockade, suspending in the background the threat of military assault. From 1948 to as late as 1952 the Kremlin convulsed the East European countries by a series of blood purges. It broke with Belgrade to free its hands in preventing the masses from entering the political arena while the destruction of capitalism was accomplished by bureaucratic-military means; it used the method of blood purge to crush any potential opposition, notions of independence or critical voices.

The split with the Titoites and the purges in Eastern Europe were required by the bureaucratic caste in order to preserve its domination and privileges. The Kremlin bureaucrats sacrificed Yugoslavia to consolidate their grip on the satellite countries. They suffered a defeat in Yugoslavia; the Tito regime survived all their attacks and machinations.

Today the Kremlin has new requirements, flowing from the consolidation of the Mao regime in China, the integration of satellite economies with Soviet economy, the defeats of imperialism in Korea and Indo-China, and the resulting opportunities to arrive at new agreements with the thwarted imperialists.

Yugoslavia again plays a key role in the plans of the bureaucracy. Belgrade has found a way to co-exist with the imperialists, which is what the Kremlin now seeks to find itself. Co-existence with Yugoslavia is a bridge for the Kremlin's coexistence with the imperialists. From this standpoint the Kremlin now needs Belgrade as a means of linking with the West.

Khrushchev & Co. likewise woo Tito & Co. out of consideration of their new world position and problems. A hostile Yugoslavia is not only a military but a political threat in the Balkans. The closer the Titoites are drawn into their orbit, the less danger is there of a rival pole of attraction in Europe. To the Kremlin rulers the popularity of the Titoites is well worth a price, all the more so because the Titoites have demonstrated throughout that they are in no sense to the left of the Soviet bureaucracy. Having gained a partner in the Peking bureaucracy, the Kremlin is not adverse to a junior partner in Belgrade, especially since this partner can easily be made economically dependent.

By telling the world they look with favor on Yugoslavia, Khrushchev & Co. indicate that they would likewise favor China's trading and establishing links with the West; and, naturally, the satellite countries as well.

Under coexistence the puppet regimes require a semblance of "national sovereignty," "equality," and the like. With housebroken native CP's and with these countries economically integrated, the Kremlin feels it can afford to grant the satellite bureaucracies a little more elbow room.

The Soviet bureaucracy has repeatedly demonstrated its capacity for compromise and power-to-power deals. It compromises with the imperialists. It compromised with Chiang Kai-shek when he was in power. Within the international Stalinist apparatus it is sharing power with Peking. It compromises with Belgrade. It has not compromised, and never will, with the permanent revolution. The one force it cannot share power with is the working class.

### The Chinese Revolution and the Kremlin

The Soviet bureaucracy's policy toward the Third Chinese Revolution was dictated in the first instance by its own narrow caste interests. It was calculated to bring immediate, practical benefits. Stalin aided the Chiang regime against the Japanese invasion in the late thirties; at Yalta he pledged to support Chiang in return for territorial and economic concessions. As late as January 1949 Stalin, Mao & Co. still sought a coalition government with the moribund Kuomintang regime. Throughout the civil war, the Kremlin's conduct was such that the imperialists could find no fault with it. That Stalin expected U.S. imperialism to win in China by backing Chiang was admitted by him in 1948 to Tito.

Banking on Chiang's victory and assured in advance that it could claim some credit and receive some payment for it, the bureaucracy maintained close ties with its trusted agents, Mao & Co. The Chinese Stalinists were a valuable asset for the Kremlin. In control by 1947 of an area with over 80,000,000 population and with powerful armed force under their command, they represented an important factor in international power politics and a weighty bargaining piece in international diplomacy. They were in a position to tie up Chiang militarily and obstruct his functioning as an auxiliary force for the imperialists in the event of war. Short of war, the Kremlin aimed to tie up Chiang politically by means of a coalition government in which he would be dependent on the support of the CCP.

This game of working both sides of the street blew up when Chiang launched his all-out assault against the CCP at a time when the U.S. was stepping up its cold war against the USSR. When all efforts at compromise with the Kuomintang failed and the rotted regime collapsed, the Kremlin started to readjust itself to this unforeseen situation.

Revolutionary China was now on the Soviet Far East borders; the trusted agents of yesterday now wielded state power in the world's most populous country. Unlike the puppet regimes of East Europe, they could neither be dictated to nor purged.

In the case of China the Kremlin had to adjust itself to dealings with a partner. The Soviet bureaucracy was able to make this adjustment without a serious crisis, because it was in a position to exploit the imperialist hostility to the Chinese revolution. In relation to China, the Soviet bureaucracy pursued a twofold aim: to con-

tain the Third Chinese Revolution within the national boundaries and to clamp a grip on China which would enable the Kremlin to maintain its primacy in order, later on, to bargain with the imperialists for a new status quo.

The Korean war, while imposing considerable burdens on the Kremlin, made China dependent on Moscow militarily; China's industrial needs have made her still more dependent economically. The bureaucracy will continue to use the USSR's world position and industrial might to keep China more and more dependent militarily and economically.

But revolutionary China, leaning upon the Soviet Union, imposes obligations, tasks and strains the Kremlin bureaucracy never sought, but must now fulfill. Nor is China's dependence episodic or ephemeral. China's industrialization problems and difficulties are henceforward superimposed on the industrial contradictions and difficulties of the bureaucracy at home. Precisely at a time when the Soviet masses are pressing for improvements in their living and working conditions, for more consumer goods, the bureaucracy must cope with China's needs of heavy industrial goods.

In adjusting itself to revolutionary China, the bureaucracy, as usual, has pursued immediate, practical aims, seeking to derive maximum benefits at minimal risk under each given set of circumstances. But now the circumstances are such as to aggravate the unfolding crisis of Stalinist rule in the Soviet Union.

### The Dynamism of Soviet Industry

The Soviet Union's rise to the position of a modern industrial power, second only to the U.S., demonstrates the incomparable superiority of Soviet productive forms and relations. Industrially, the USSR has far outstripped the capitalist countries of Europe. Its tempos of growth are without parallel. The dynamism of Soviet industrial development constitutes a mortal challenge to rotted capitalism, in the first place, the USA.

Compared with prewar levels capital investments in Soviet industry has quintupled. There has been an increase ranging from threefold to sevenfold in the production of oil, cement, coal and steel (see Appendix, Table 1). The most striking expansion has taken place in the production of electric power which has grown more than 37-fold. In 1935 there were 95 Soviet power stations generating 4.35 billion kwh. In 1955, five major installations are scheduled for completion -- the hydroelectric plants at Volotov, Gorki, Kuibyshev, Stalingrad and Kakhovka -- which will add over 24 billion kwh annually, or more than three-quarters of Italy's annual production (31.9 billion kwh). The Soviet machine-building industry is surpassed quantitatively only by the USA; in some branches Soviet machine-building matches the American. The Soviet nuclear plant and development is similarly up-to-date.

Per capita production has indeed lagged, but here, too, notable progress has been recorded. Steel per capita output is nearly 400 lbs., as against the prewar output of 140 lbs. per person; 1.7 tons of coal were produced per capita in 1954 as against 0.7 tons in 1934



(comparable U.S. per capita figures for steel and coal production are approximately three to four times as large).

Marxism has demonstrated its correctness not alone in theory but in terms of steel, coal, electric power, and so on. There can no longer be a serious debate over which is more productive -- capitalism or the new economic forms established by the 1917 Russian Revolution.

The extension of Soviet economic forms into Eastern Europe affords evidence of the same dynamism. These countries have recorded growth of 42 percent (coal production) to 84 percent and 93 percent (steel and electric power respectively). Compared with these tempos the progress of the most vigorous capitalist country in Europe today -- Western Germany -- offers a picture of relative stagnation (see Appendix, Tables 2 and 3).

### The Soviet Union's New World Role

World capitalism which proved impotent to crush the first victory of the permanent revolution on Russian soil, or of containing it thereafter within Soviet borders, today faces that revolution as a challenger to capitalist domination of the world.

The USSR's new world role is strikingly disclosed by its altered position in world trade. Prior to the war the Soviet share of world trade was confined to one-fiftieth and less of the total, as against Czarist Russia's share of around 4 percent (see Appendix, Table 4). Soviet postwar world trade has leaped to almost three times the prewar levels, increasing from 2½ percent in 1937 to 7.1 percent in 1953. The share of the Soviet bloc countries is naturally bigger having grown from 6.1 percent in 1948 to 10.4 percent in 1953 (see Tables 5 and 6). To be sure, roughly four-fifths of this trade is carried on within the Soviet bloc; but this only serves to point up the severe losses incurred by imperialism.

From an economy reduced to a fiftieth role or less of the world trade, imperialism had little to fear. Moreover, prewar Soviet economy was an exporter of food crops and raw materials while importing primarily machinery. In contrast the Soviet Union plays today a key role in the world economy. When, at the turn of this century, capitalist Germany captured 10.8 percent of the world trade, imperialist rivalry reached the breaking point and precipitated the struggle to redivide the world. (On the eve of World War I Germany controlled 12.6 percent of world trade.) This was in the era of imperialist ascent. In the epoch of decay, imperialism is even less able to tolerate a rival economy of the power of the Soviet bloc, based, moreover, on an antipathetic mode of production.

The dynamism of the Soviet economic system inexorably brings the Soviet Union into collision with the imperialists. At the same time this dynamism attracts the colonial masses and makes them determined to emulate Soviet industrialization. The countries rising from colonial status offer the Soviet bloc avenues for tapping the world resources. In return for food crops, raw materials, strategic commodities, etc., these countries possess in abundance, the Kremlin is able to

to offer capital goods, industrial equipment, arms, technical aid, limited loans, and so on.

The position of the USSR as the second world power places the Kremlin in a position to respond to these aspirations of the colonial people.

This new interrelation the bureaucracy has sought to exploit in pursuit of the status quo. Such offers as tractors, steel mills and similar equipment to India and other countries, at a time when China is in need of as much plants and machinery as the Soviet Union is able to supply, serves one purpose above all the rest: it is an economic weapon to impress imperialism with the need of getting along with the bureaucracy. Economic collaboration is both a threat and an offer; a threat of economic penetration into the colonial countries, including Latin America; an offer to withdraw such intervention once coexistence is reached, i.e., respective spheres of influence to be mutually honored economically, militarily and politically.

Soviet overseas trade is inimical to imperialism not only because of a potential threat to its markets and sources of raw materials but also because it offers the colonial sector of world capitalism a rival pole of attraction.

#### Soviet Dependence on World Economy

The danger of military attack is only one expression of the dependence of the USSR on the rest of the world. Still another is the threat of economic aggression.

In addition to economic blockade, U.S. imperialism has forced upon the USSR an arms race, the need not to fall behind in armaments, nuclear and conventional alike.

The Kremlin has been obliged to divert an increasing share of the national income for the production of the means of destruction. The strain thus imposed on Soviet economy may be gauged by the annual appropriations for defense as compared with state investments in heavy industry. Since 1952 the Soviet defense budget has swallowed some 110 billion rubles a year; in 1954 there was a cut of about 10 percent only to be followed in 1955 by a 12 percent hike. State investments in heavy industry, on the other hand, amounted to less than 80 billion rubles in 1954, and to 93.5 billion in 1955, that is, 25 to 30 billion rubles a year less than have gone into the arms race.

Defense orders take priority and tend to dislocate the development of industry as a whole. They necessitate a diversion of the labor force and aggravate an already acute labor shortage. The burden falls directly upon the mass of the people whose living standards are impaired.

The economies of China and the satellite countries are put under analagous pressures by the arms race. Moreover, their key military requirements must likewise be met by Soviet industry. The USSR is the main arsenal for China. In the military field, as in others, the Kremlin is henceforth obliged to plan and produce not within the old Soviet framework but on a multi-national scale.

The American imperialists need the arms race as the principal prop of capitalist economy; the Soviet bloc, in the first instance the USSR, finds it a drain on their resources and an obstacle to economic progress.

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The stormy growth of Soviet industry, instead of diminishing, has increased the USSR's dependence on the world economy. Soviet industry depends on trade to a greater extent than ever before.

The Stalinist doctrine of "two parallel world markets" represents an attempt by the bureaucracy to justify theoretically its nationalist policies in the USSR's new world position. This bureaucratic construction stands counterposed to the permanent revolution just as the theory of "socialism in one country" does. It flies in the face of reality. The economies of the USSR, China, and the satellite countries form not a parallel but an antagonistic mode of production.

The extension of Soviet economic forms into China and over half of Europe; the new tasks assumed by Soviet economy, especially because of China's industrialization, act to reinforce still further the dependence of the Soviet bloc on the rest of the world.

But capitalism remains dominant in the world economy. The Soviet bloc controls only a fraction of the world productive forces, raw materials and foodstuffs. The economic preponderance remains on the side of the imperialists. This subordinate economic position cannot be altered by Stalinist concept of building self-sufficing "socialist" economies within the national borders of China, of the satellite countries and the Soviet Union and in this manner catching up and outstripping both the USA and Western Europe. Only the intervention of the world revolution can settle the issue of whether the world economy shall remain, as before, ruled by the imperialists, or organized by the only class that can succeed the bourgeoisie, the world working class.

Capitalism has engaged in two wars to redivide the world. To survive, it must reconquer the lost one-third; capitalism in two-thirds of our planet is as utopian as socialism in the other third. On the other hand, events have proved that neither imperialism nor Stalinism is able to contain the permanent revolution.

For the world proletariat and the insurgent colonial masses, a program of "coexistence" runs up against their needs, and interests; and can be imposed upon them in the last analysis only by their political immaturity, lack of mass revolutionary organization and leadership. For the imperialists, coexistence is a temporary expedient. They gain a breathing spell to stabilize their positions; they are offered the services of the bureaucracy to subjugate the class struggle at home and in the colonies; they seek at the same time to consolidate their forces for the all-out assault on the Soviet bloc. For the bureaucracy alone coexistence is not a means to an end, but an end in itself, namely, to perpetuate its own existence.

## The Aggrandized Bureaucracy

The Kremlin political gangsters now stand at the head of a powerful array of countries whose mode of production is in irrepressible conflict with capitalism. The bureaucracy lives in dread of the revolutionary implications, the international conflicts inherent in this situation. The Kremlin is eager to hold on to its gains at all costs and not to run the risk of revolutionary "adventures." This is why the organic course of its foreign policy is a quest for coexistence. The tactics the bureaucracy employs may vary at any given moment, running the gamut from crass opportunism to unbridled adventurism. But the goal remains one and the same: to attain a status quo with the capitalist environment.

Today the status quo entails the recognition by the imperialist rulers of the aggrandized bureaucracy, the expansion of its rule, power and privileges. It further entails mutual guarantees against attack and the acceptance of the bureaucracy as equals in world councils. The "liberal" airs assumed by the bureaucracy conform to this new position it aspires to hold in the domain of capitalist diplomacy.

For more than three decades a totalitarian caste has ruled the Soviet Union. It is a declassed petty-bourgeois stratum of a special type, special because the process to which it owes its origin was likewise previously unknown, i.e., the degeneration of a proletarian revolution. After Lenin's death, the bureaucracy exploited the social antagonisms, internationally and internally, to expropriate the Soviet workers politically, and usurp state power.

It consolidated itself as a ruling caste; the power being concentrated in a narrow inner circle, with the intermediate and lower echelons rigidly controlled from above. The caste consciously excludes the masses from intervening in any field of social activity. Within every layer of Soviet society it promotes differentiation, a differentiation based on granting privileges to a few at the expense of the overwhelming majority. Within its own ranks the caste likewise fosters differentiation, ranging from the low paid functionaries at the base to a handful of chiefs at the apex of the bureaucratic pyramid. The whole monstrous structure is imposed on the mass of the people and safeguarded from them by a system of repressions unexampled in history.

Aggrandized in point of numbers as well as in point of privileges, this caste today confronts the Soviet and world working class. Far from diminishing its fear of the masses has on the contrary increased. Far from feeling more secure the usurping caste feels more jittery than ever.

It is spurring the differentiation of Soviet society in the extreme, widening the chasm between itself and the people. The one thing that the universally hated rulers are still able to exploit is the justified fear of the Soviet masses of imperialist aggression. The war and the cold war was a key factor in the growth of the Soviet military caste and in bringing to the fore political generals like Bulganin and professional militarists like Zhukov. The position and weight of the officer caste within the bureaucracy has notably increased.

An impersonal machine from its origin, the bureaucracy's essential need is to camouflage the very fact of its existence as a ruthless, cynical, privileged minority, blocking the road to socialism. Stalin was the product of this bureaucratic machine and not the other way around. Stalin's death has altered fundamentally nothing as regards the inner needs, interests and operation of its power machine, least of all its method of rule and relations with the masses. That this faceless apparatus rules by creatures of its own creation, suited to the exigencies of the situation, has been amply demonstrated in the post-Stalin period.

The difference between the regime under Stalin and under his successors boils down to the difference in the tasks of the bureaucracy in the period when Lenin died as against the period when Stalin died. To intrench the bureaucracy in power it was necessary to exterminate all the revolutionary generations of October, the Leninist cadres, the Bolshevik party as a whole and the Communist International; it was necessary to crush the resistance of the masses, to destroy the Soviets, the trade unions and all other mass organizations, to despoil the people of the political conquests of the revolution. The nature of these tasks brought to the fore the hangman's role, for which Stalin was so suited. Stalin's personal traits expressed most adequately the needs of the bureaucracy at the time. Stalin's successors rest on his labors and heritage. The hecatombs he presided over are the foundation of their power. Their task is to preserve the bureaucratic edifice intact, to perpetuate their expanded privileges and revenues. This makes them anxious to cover up the bloody past, to cast a veil over their coercive rule and don the mask of "liberalism." No one in the Soviet Union is deceived. The mass of the people do not draw any fine distinctions between Stalin's regime and that of his henchmen.

The masses showed no concern when Stalin died or when the trio of Malenkov-Beria-Kolotov fell to be succeeded by the trio of Khrushchev-Bulganin-Zhukov. The publicity campaign to make the faceless successors known, came in the wake of their elevation to top posts. The shifts at the top alter nothing in the incessant pressure exerted by the bureaucracy upon the workers and peasants.

A Bonapartist regime of crisis, the bureaucracy balances itself between the proletarian revolution and decayed imperialism. It exploits the revolutionary struggle of the masses to demonstrate how indispensable it is to world imperialism for the maintenance of the status quo.

### Geneva

Throughout the postwar decade of cold war the bureaucracy's central aim was to arrive at top level agreements with the imperialists, the USA in particular. Every agency at its command from the puppet regimes through the native CP's down to the countless "peace movements," was mobilized to achieve the yearned-for rapprochement. It sought to exploit every postwar revolutionary explosion toward the same purpose. It celebrated the July 1955 Geneva Conference as a crowning achievement.

On the part of the USA Geneva constitutes a belated recognition that the revolutionary conquests in Asia and the extension of

Soviet economic forms into half of Europe cannot be overthrown militarily at the present time,

The American imperialists have reluctantly decided to suspend the cold war. It has brought them all that they can expect to gain (consolidation of Western Europe under the aegis of Washington; retention of capitalism throughout the colonial sector under the rule of native capitalists, under puppet rule or colonial domination). They have achieved a relative stabilization of the world market, with U.S. foreign trade dominant in it. They have militarized at home and throughout the capitalist world, with the militarization of Japan and Western Germany under way. The world arms program and the corresponding inflation has fed the current world-wide capitalist boom. This has permitted the Western bourgeoisies to rule in their own name and with the aid of the Stalinists and Social Democrats to demoralize the workers and impose on them low living and working standards.

From a prolongation of the cold war American imperialism risks to lose more than it can gain. The risks fall under three main headings: 1) the danger of the extension of the Chinese revolution; 2) the undermining of the position of native bourgeoisies in the former colonial countries; 3) potential rifts in the imperialist alignment. These and other considerations are impelling the imperialists to accept the status quo for the time being.

While reaping profits from the present world boom, the imperialists reckon on gaining a powerful ally to safeguard social peace. The bureaucracy, in Moscow as in Peking, as in Belgrade, will spare no effort in collaborating with the imperialists to subjugate the workers and the colonial masses through their farflung agencies.

Geneva was a formal manifestation of mutual desire, for different reasons, to suspend the cold war but not a single practical agreement was reached. This was due to the explosive charges which are lodged in such issues as the unification of Germany, of Korea, of Indo-China or the question of Formosa. It suits the bureaucracy and the imperialists to discuss remoter problems such as East-West coexistence, trade, tourism, control of nuclear weapons, reduction of armaments, and the like. Both sides agree to relegate to an indefinite future all the touchy problems. Meanwhile, lavish parties, state visits, and handshakes amid pledges of good-will serve as substitutes for tangible agreements.

In the final analysis, the rapprochement signalled by Geneva, has been brought about by the threat of the permanent revolution. The defense of the status quo is directed in the first instance against the world working class and the colonial masses. The imperialists can, as they have, get together with the bureaucracy, but never with the proletarian revolution.

### The Soviet Proletariat

The Soviet proletariat is today the second largest in the world. The working class in East European countries is likewise experiencing a stormy growth. Since 1948 the proletariat in these countries has increased by more than four million, at an average annual rate of 7 percent (see Table 7).

In 1928, the year prior to the introduction of the First Five-Year Plan, the workers in the USSR numbered 10.8 million. The official total for 1954 is 47 million. The Soviet working class has thus grown more than fourfold. In the last five years, the rate of growth has averaged 1.7 million annually, or almost 4 percent, roughly double the rate the population as a whole is growing.

In prewar years the expansion of the labor force took place primarily through conscripting the rural youth, with the trainees in the Factory and Trade Schools averaging a million and more a year. This is no longer the case. In the last five years these drafts have provided approximately one-third (340,000), the prewar number, with the bulk of new recruits coming from urban centers.

The working class has grown markedly in experience and skills. In recent years the number of workers trained on the jobs, acquiring higher skills, etc. has averaged 7.6 million, or from 16 to 17 out of every hundred. A large proportion of the unskilled is composed of women whom the bureaucracy has reduced to a degraded status in Soviet society, with the women among the oppressed nationalities, especially those of Central Asia, degraded the most.

The specific weight of the youth in industry is high. In his July 4, 1955, report to the plenum of the Central Committee of the Russian party, Bulganin estimated that the youth constitutes "about half of the workers" in the plants. This dominance of the youth in industry is the more telling because the Soviet people as a whole are young. Admiral Kirk, former U.S. Ambassador to Moscow, testified as follows:

"The people in Russia are young; the average is probably between 31 and 35, and that is young. The former rulers, aristocrats, businessmen, industrialists are all gone -- finished. The new race springs from the soil and from the city workers....It is a country undergoing a tremendous development and change, things which require the enthusiasm, the strength, the vitality of youth -- and Russia has them." (Look Magazine, April 22, 1952).

The youth of the Soviet working class, apparent even to a hostile observer, fills the bureaucracy with dread. Its need for social masquerade is accentuated by the rising generations of young workers, predominately city-bred, enthusiastic, strong, vital, who abhor capitalism and who are ambitious to advance toward the free socialist society but who run up at every step against the bureaucratic rule.

The cultural levels and demands of the workers have risen. One index of higher culture is the rise in paper consumption. In 1935 it amounted to less than four kilograms per person as against 8½ kilos in 1954, or more than double. But it is precisely these higher needs that the bureaucracy has not and cannot satisfy. The expansion of consumer goods production has been commensurate to neither the growth of industry nor the growth of the proletariat and its culture. Comparative improvements in their living conditions have whetted the mass appetite for more substantial gains.

The output of shoes has tripled. As against  $\frac{1}{2}$  pair of leather shoes per person in 1935, nearly  $1\frac{1}{2}$  pairs per person were produced in 1954. In cotton print, which serves the mass of the people for both winter and summer wear, the increase has been only 90 percent -- 16 meters per person in 1935 as compared with  $27\frac{1}{2}$  meters in 1954. In contrast, woolen cloth, priced within the reach of only the privileged, has more than doubled in output, leaping from less than  $\frac{1}{2}$  meter per person in 1935, to  $1\frac{1}{5}$  meters in 1954. The production of silk, likewise earmarked for bureaucratic consumption, has quadrupled.

The acute housing shortage persists, with the bulk of the workers compelled to live in barracks or hovels and to crowd several families in a single room.

Despite the material improvements, the gulf between the bureaucracy's living standards and those of the masses has not been bridged. The zigzag in economic policy in the post-Stalin era -- the shift in emphasis on the expansion of light industry and then back again to renewed emphasis on heavy industry -- is symptomatic of the mass pressure upon the Kremlin rulers.

The higher rate of productivity set by the plan remains unfulfilled despite the huge annual investments in up-to-date plants and equipment. The modern techniques, the growing skills and culture of the Soviet working class are not expressed in a corresponding rate of productivity increase because of bureaucratic misrule. Bureaucratic mismanagement, inefficiency, waste and arbitrariness result in the improper use of plants and machinery. In order to meet the targets set by the plan, auxiliary manual labor is recruited, and these unforeseen increases of the labor force are a major factor in pulling down the rate of productivity increases.

In the face of the privileged bureaucracy and its administrative pressures for ever higher productivity, the discontent of the workers assumes elemental forms of resistance. These passive, self-defensive reactions include -- migration, absenteeism, resistance to speed-up and so forth.

The labor shortage in the USSR is, in its turn, aggravated by the failure of the rate of productivity to increase in correspondence with the new levels of industrialization. The workers take advantage of this situation to seek jobs wherever working and living conditions may be more tolerable (in violation of Draconic labor laws that bind the worker to his job).

Migration of workers is a characteristic feature of this elemental struggle on the part of the workers. In his report Bulganin released two significant sets of figures. The first relates to labor turnover. In the industrial enterprises of the All-Union industrial ministries and those of the Federated Republics "2,923,000 workers were hired while 2,802,000 left in 1954, not counting workers transferred from other enterprises in an organized way." In the construction projects "in the same year 1,771,000 were hired while 1,453,000 workers left, again not counting transfers." (Pravda, July 17, 1955). Almost nine million industrial workers, or about one-fifth of the total labor force, were engaged in migratory practices in 1954. Small



wonder that Bulganin declared, "the liquidation of the fluidity of manpower" to be "an unpostponable task."

The second set of figures released by Bulganin concerns the number of man days lost because of idle machinery and other unspecified reasons. In 1954, Bulganin said, "the losses of working time in industry amounted to more than 40 million man days, of which 18 million man days were due to (machine) idleness." The loss in production was estimated at "over 10 billion rubles." (same source.)

The bureaucracy exposes itself not only as a brake upon higher living standards but above all as an alien force which deprives the workers of any sense of ownership in the nationalized means of production, of any voice in planning, allocation of resources, division of national income, etc. The crisis in labor productivity reveals the bureaucracy's role as an absolute brake on a harmonious growth of Soviet productive forces. The revolution in modern technology, the growth of automation, the needs of new technology and of its rapid introduction only serve to point up this role of the caste, and speed the unfolding conflict.

The Soviet workers have gained in confidence. Coupled with the victory in World War II, the rise of revolutionary China in the East and the extension of Soviet economic forms to the western European boundaries cannot fail to dissipate the old moods of isolation and fears of imperialist encirclement. China's victory in the single combat in Korea over the U.S.-led imperialist coalition and the subsequent triumph at Dien Bien Phu has made the Soviet workers feel they have reliable and powerful allies who will come to their aid against imperialist assault.

New forces have already begun to take shape for organizing the mass struggle against the bureaucracy. These forces have already passed through their first major test in the July 1953 Vorkuta General Strike of 250,000 political prisoners which lasted for more than three months, and which enlisted the sympathy and aid of the soldier-guards. It was the Leninist Youth that headed this biggest mass action on Russian soil since the 1917 Revolution.

### The Soviet Peasantry

The bureaucracy has failed to supply the countryside with manufactured goods in return for food and industrial crops; the peasants replied in 1953-55 with a passive slow-down strike in agriculture just as they did in the twenties. In September 1953 Khrushchev, then minimizing the farm crisis, proclaimed that "a major task in agriculture is to secure higher yields."

Crop yields, which have been steadily declining, must be stabilized before there can even be talk of higher yields.

In 1940 Soviet agriculture disposed of 530,000 tractors and 182,000 combines. The latest figures are 1,400,000 tractors and 350,000 combines (Pravda, July 23, 1955). Mechanization has thus grown from two to three times. The sown area has likewise greatly expanded. The quarter of a million collective farms have been amalga-

mated into less than 90,000 huge farm-factories. The overall gross output of food and industrial crops has meanwhile stagnated at around 1950 levels, while the yields per hectare have declined.

In 1934 agricultural production per hectare (approximately 2½ acres) amounted to 82 hundredweight (advanced European farm output is from three to four times as large). No official figures for post-war yields per hectare have been released. However, the output of model state and collective farms cited by Khrushchev in his 1953 report provides a gauge. Their output per hectare has ranged from 50 to 65 hundredweight, a sharp decline from prewar levels. The output of the majority of state-farms and collectives is by official admission below that of the model-figures cited.

Attempts, under Malenkov, to solve the farm crisis by concessions to well-to-do peasants, "millionaire" collective farms and generally individualistic tendencies boomeranged. When inclement weather struck, the peasants neglected collective crops and herds to save their own. Under Khrushchev further concessions to individualistic tendencies have been coupled with attempts to increase drastically the scope and output of state farms hitherto the most inefficient, costly and least productive branch of Soviet agriculture.

The solution of the acute farm crisis has been officially dated for the year 1960. The new plan envisages a rapid conversion of agriculture in the old areas (Ukraine, Volga region, etc.) to dairy farming and cultivation of corn while more grain is to be grown in the semi-arid pastures and mountain valleys of Central Asia and West Siberia. The projected extension of these "virgin and fallow lands" covers more than 30 million hectares, about one-sixth of the present sown area for the whole of the U.S.S.R. While the success of this gamble sways in the balance, the existing shortages of food stuffs and industrial crops started, by the end of 1954, to affect the operations of Soviet industry as a whole.

The rural population has declined from 137 million in 1940 to 132 million in 1953. This reduction of five million took place despite the incorporation of extensive territories, predominantly agricultural. The peasants are leaving the land. This loss of manpower has resulted in a growing proportion of women and older men in the countryside. It has constrained the bureaucracy to draft manpower from the cities for work in the fields. This reallocation of the labor force is still in its early phases, but the numbers involved are already impressive.

From March 1954 to July 1955 the following allocations have taken place:

1) 575,000 trainees from Agricultural Mechanization Schools set up under the new Chief Administration of Labor Reserves (340,000 in 1954 and 235,000 more in the first half of 1955).

2) 83,000 technicians transferred from industry and transport.

3) 200,000 YCL'ers and other state employees sent into Central Asian and West Siberian steppes. (By the end of 1954 the YCL

announced that 500,000 had already volunteered).

Over 800,000 had thus been reallocated by July 1955.

Three effects follow from this modification of the social composition of the labor force in agriculture. To begin with, alongside the traditional day laborers, many of whom are women, industrial workers now comprise a growing proportion of the rural proletariat. Secondly, the existing labor shortage is bound to be aggravated by the shift. Thirdly, the bureaucracy must henceforth cope in the countryside with the struggle of the peasants against the state on the one side; and the workers' struggle against bureaucratic rule on the other.

The scarcity of manufactured goods hits the countryside the hardest. The peasants have been deprived of goods they need even when these are in good supply. The stock remains in depots beyond their reach owing to the generally primitive trade network. The provincial centers where the rural bureaucracy is concentrated are favored at the expense of the villages. Consumer goods production is concentrated in the Moscow and Leningrad provinces, the main centers of the bureaucracy, where over four-fifths of the light industry is located.

The peasantry has been systematically subjected to brutal coercion. The reply has been -- passive resistance punctuated by open revolts. The regime is feared and hated in the countryside. The differentiation in the villages is as monstrous as in the cities; there is a chasm between the living standards of the privileged minority and the mass of the peasants who barely eke out their existence. The peasant is further embittered by the generally higher living standards in the cities. As a consequence, he devotes his efforts to cultivating his own midget plot to the detriment of the collective-farm crops, herds, etc. The administrative measures of the bureaucracy, its "incentive," piece-work pay, etc., etc. have only aggravated the farm crisis as the declining agricultural output per hectare shows. The main source of the Soviet farm crisis, just as of the crisis of productivity is -- the bureaucracy.

Only its overthrow and the revival of workers' democracy in the USSR will close the gap between the city and the country, release the creative energy of the toilers, weld the alliance between the working class and the peasantry, and resolve the agricultural crisis which the present regime is unable to solve.

### The Inevitability of a Political Revolution

The industrial rise of the USSR, the postwar extension of Soviet economic forms, the growth of the Soviet proletariat, the concentration of the peasants in huge collectives, the needs and aspirations of the toilers collide with the ruthless rule of the bureaucracy inherited from conditions of backwardness and isolation. The bureaucracy is not only a force of coercion, it is a constant source of provocation, arousing protest and resistance, the more intense the longer these are repressed. The existence of a cynical caste of liars and purgers feeds mass discontent and indignation. Improvements in material conditions of the toilers do not reconcile them with the regime, but

on the contrary prepare the conditions for open conflicts.

The whole course of war and postwar events is preparing the realization in life of Leon Trotsky's Transitional Program for the USSR.

### Transitional Program

"A fresh upsurge of the revolution in the USSR will undoubtedly begin under the banner of the struggle against social inequality and political oppression. Down with the privileges of the bureaucracy! Down with Stakhanovism! Down with the Soviet aristocracy and its ranks and orders! Greater equality of wages for all forms of labor!

"The struggle for the freedom of the trade unions and factory committees, for the right of assembly and freedom of the press, will unfold in the struggle for the regeneration and development of Soviet democracy.

"The bureaucracy replaced the Soviets as class organs with the fiction of universal electoral rights -- in the style of Hitler-Goebbels. It is necessary to return to the Soviets not only their free democratic form but also their class content. As once the bourgeoisie and kulaks were not permitted to enter the Soviets, so now it is necessary to drive the bureaucracy and the new aristocracy out of the Soviets. In the Soviets there is room only for representatives of the workers, rank-and-file collective farmers, peasants and Red Army men.

"Democratization of the Soviets is impossible without legalization of Soviet parties. The workers and peasants themselves by their own free vote will indicate what parties they recognize as Soviet parties.

"A revision of planned economy from top to bottom in the interests of producers and consumers! Factory committees should be returned the right to control production. A democratically organized consumers' cooperative should control the quality and price of products.

"Reorganization of the collective farms in accordance with the will and in the interests of the workers there engaged!

"The reactionary international policy of the bureaucracy should be replaced by the policy of proletarian internationalism. The complete diplomatic correspondence of the Kremlin to be published. Down with secret diplomacy!

"All political trials, staged by the Thermidorian bureaucracy, to be reviewed in the light of complete publicity and controversial openness and integrity. Only the victorious revolutionary uprising of the oppressed masses can revive the Soviet regime and guarantee its further development toward socialism. There is but one party capable of leading the Soviet masses to insurrection -- the party of the Fourth International!" (Emphasis in original.)

The uprising of the East German workers on June 17, 1953 and the virtually simultaneous Vorkuta General Strike on July 20, 1953 are not mere coincidence or episodes. They are the heralds of the coming political revolution.

### Stalinism -- The Enemy of the World Proletariat

The class solidarity of the world proletariat in defense of the USSR has been exploited by the Stalinist bureaucracy to subordinate the workers' struggle for socialism to the interests of the bureaucracy. The real defense of the Soviet Union is indivisible from the struggle of the Soviet masses to overthrow the bureaucracy, just as the bureaucracy's struggle against the revival of workers' democracy inside the USSR is indivisible from its counter-revolutionary role in the advanced countries.

In their struggle against Stalinism the Soviet workers cannot be left to their own forces and resources. They need the active support of their class brothers. In the advanced countries, as in the colonies, the workers fighting for socialism confront Stalinism as Enemy No. 1 inside their ranks. To defeat the capitalists they must settle accounts with Stalinism. Every blow the revolutionary workers are able to deal Stalinism within the labor movement is at the same time a blow in defense of the Soviet Union, active aid to the struggle of the Soviet toilers. Conversely, the rebirth of Soviet democracy would tumble the barriers between the Soviet masses and the Western workers and fuse the delayed proletarian revolution in the West with the colonial revolution.

The bureaucracy's quest for stability on the international arena and at home, remains elusive. Decayed capitalism can provide no stability for itself; neither can the native bourgeoisies in the former colonial countries. The Soviet economic system has a dynamism of its own, independent of the control and policy of the bureaucracy. Imperialist decay cannot be arrested. The socialist opposition is building up within the Soviet bloc. The revolutionary process continues in both the former colonies and those countries that still remain under the yoke of imperialism. The imperialist countries, including the USA, are not immune from the permanent revolution. In the proletariat of the Soviet bloc, in the insurgent colonial masses, the Western working class in its struggle for the world socialist revolution has powerful allies. The bureaucracy has no historic mission and its downfall cannot be averted precisely because its struggle against the permanent revolution is doomed to fail.

August 12, 1955.

TABLE 1SOVIET INDUSTRIAL GROWTHMillions of Tons or Billions of KW Hours

<u>COMMODITY</u>	<u>PREWAR OUTPUT</u>	<u>1954 OUTPUT</u>	<u>RATE OF SOVIET EXPANSION</u>
Steel	5.89 (1932)	41	Nearly sevenfold
Coal & Lignite	64.2 (1932)	346	Over fivefold
Electric Power	4.35 (1935)	147	Over 37-fold
Oil	21.4 (1932)	58	2.7 fold
Cement	6 (1940)	19	Over threefold
State Capital Investments in Industry*	Under 30 Billion Ru- bles (1934)	150 Bil- lion Ru- bles (1953)	Fivefold

\* First 5-year Plan Capital Investment -- 5.4 Billion Rubles

Source: Official Kremlin figures.

TABLE 2SATELLITE INDUSTRIAL GROWTH

Bulgaria, Czechoslovakia, East Germany, Hungary  
 Poland and Rumania.  
 Albania only for oil

(Millions of Tons or Billions of KW Hours)

<u>C O M M O D I T Y</u>	<u>PREWAR OUTPUT*</u>	<u>1953 OUTPUT</u>	<u>RATE OF SATELLITE GROWTH</u>
Steel	6.8	12.5	84%
Coal	138.2	196.6	42%
Electric Power	30.3	58.6	93%
Oil	6.9	11.0	59%
Cement	7.7	11.7	52%

\* 1938 except for Poland and Czechoslovakia (1937).

Source: U.N. Economic Survey of Europe in 1954.

TABIE 3RELATIVE CAPITALIST STAGNATION AS EXEMPLIFIED BY WEST GERMANY(Millions of Tons or Billions of KW Hours)

<u>C O M M O D I T Y</u>	<u>PREWAR OUTPUT (1937)</u>	<u>CURRENT OUTPUT</u>	<u>RATE OF INDUSTRIAL DEVELOPMENT</u>
Steel	19.4	15.4 (1954)	Declined
Coal	369.2	214 (1954)	Declined
Electric Power	49	60.5 (1953)	23% Increase
Oil *	11.0 Million Barrels (1943)	15½ Million Barrels (1953)	50% Increase
Cement	12.6	15.4 (1953)	22% Increase

\* West Germany is an oil importing country; its crude oil imports have risen from 3.3 million tons in 1952 to 5.4 million tons in 1954, or an increase of 63%.

Source: U.N. Economic Survey of Europe in 1954; Britannica Book of the Year.



TABLE 4

PRE-WAR WORLD TRADE

AND THE

SOVIET UNION'S SHARE OF IT

(In Billions of 1935 Gold Dollars)

<u>YEAR</u>	<u>SOVIET IMPORTS</u>	<u>SOVIET EXPORTS</u>	<u>TOTAL</u>	<u>WORLD TRADE TOTAL</u>	<u>SOVIET SHARE</u>
1913 (Czarist Russia)	0.7	0.8	1.5	37.8	4%
1925	0.5	0.3	0.8	62.9	1.2%
1926	0.4	0.4	0.8	61.9	--
1927	0.4	0.4	0.8	65.2	--
1928	0.5	0.5	1.0	67.4	--
1929	0.5	0.5	1.0	68.6	1.4%
1930	0.6	0.4	1.0	55.6	--
1931	0.6	0.3	0.9	39.7	2.2%
1932	0.4	0.2	0.6	26.9	2.0%
1933	0.2	0.2	0.4	24.2	--
1934	0.1	0.2	0.3	23.3	1.3%
1935	0.1	0.2	0.3	23.5	1.3%

Source: Based on Institute of World Economics and Politics, Soviet Academy of Sciences, World Economic Crises 1848-1935, Ogis, 1937.

TABLE 5  
POSTWAR WORLD TRADE  
AND THE  
SOVIET UNION'S NEW ROLE IN IT

(In Billions of Current Dollars)

<u>YEAR</u>	<u>EASTERN EUROPE</u>		<u>CHINA MONGOLIA, NO. KOREA ALBANIA</u>		<u>WEST AND OVER- SEAS</u>		<u>TOTAL SOVIET TRADE</u>	<u>TOTAL WORLD TRADE</u>	<u>SOVIET SHARE</u>
	<u>IMPORTS</u>	<u>EXPORTS</u>	<u>IMPORTS</u>	<u>EXPORTS</u>	<u>IMPORTS</u>	<u>EXPORTS</u>			
1937	--	--	--	--	0.3	0.4	0.7	27.1	2.5%
1948	0.4	0.4	0.2	0.2	0.6	0.5	2.3	58.2	3.8%
1952	1.3	1.3	0.7	0.7	0.5	0.5	5.0	78.2	6.3%
1953	1.5	1.5	0.8	0.8	0.5	0.5	5.6	78.3	7.1%

Source: Based on estimates of U.N. Economic Survey of Europe in 1954.

TABLE 6SHARE OF USSR, CHINA AND EASTERN EUROPE  
IN POSTWAR WORLD TRADE(In Billions of Current Dollars)

<u>YEAR</u>	<u>TOTAL SOVIET BLOC</u>	<u>TOTAL WORLD</u>	<u>SOVIET BLOC SHARE</u>
1937	2.3	27.1	8.4%
1948	3.6	58.2	6.1%
1952	7.1	78.2	9.0%
1953	8.2	78.3	10.4%

Source: Same as Table 5.

TABLE 7GROWTH OF THE PROLETARIAT IN EASTERN EUROPEIn Thousands

<u>C O U N T R Y</u>	<u>1 9 4 8</u>	<u>1 9 5 3</u>
Bulgaria	600	950
Czechoslovakia	3,100	4,125
Rumania	2,000	2,700
Hungary	1,800	2,550
Poland	4,500	6,050
<u>T O T A L</u>	<u>12,000</u>	<u>16,375</u>

Over-all growth of over 36 percent; average annual increase -- over 7 percent.

Source: Same as Table 5.