AN ANALYSIS OF BUKHARIN’S UNDERSTANDING OF THE TRANSITION TO COMMUNISM by Phil Sharpe

INTRODUCTION

This work brings back fond memories of past academic work. Whilst at University I made a study of Bukharin’s conception of the transition to communism, and it was an intellectually rewarding exercise. However this study was generally uncritical of the approach of Bukharin and defended his perspective of war communism. Since then I have read many books concerning this vital period of Soviet history, and so began to change my mind about the original economic policies of the Bolsheviks. In particular I have become critical of the view that political state power combined with nationalisation is the pre-requisite of transition to socialism. Professor Meszaros has outlined many important arguments that indicate the limitations of this standpoint, and he has outlined why this approach will not result in communism. (1) Furthermore, Hal Draper has argued that to Marx the most important aspect of the post-revolutionary society is rule of the working class. It is questionable whether this aim was effectively realised by the Bolsheviks. (2) In other words, the character of the regime after 1917 was very contradictory. It was not an expression of the domination of a new ruling class, but it priorities and intentions indicated that the working class did not have genuine economic and political power. The establishment of authentic Soviet democracy, or the creation of a society based on the popular will was not realised, and instead the decision making process was based on the actions of a small group that effectively substituted itself for the role of the working class. However the threat of counter-revolution meant that this regime had to be critically defended from the prospect of reactionary overthrow.

The objection to this analysis would maintain that it is based on hindsight, and represents a conclusion that is arrogant when compared to the aspirations of the Bolsheviks who genuinely wanted to realise communism via the expansion of international revolution. Consequently it is not satisfactory to criticise them with the luxury of the wisdom of the present. Instead it is necessary to support them in terms of a sympathetic analysis of the major works of the period, and therefore justify the transition from capitalism to communism in Bolshevik terms. The reply to this view would suggest that we need to know why the theory of the promotion of communism was problematical from the viewpoint of the interests of the proletariat and the peasants, and why this was because of the flaws within the conception of the post-revolutionary society. Marx and Engels had not outlined in detail the various aspects of society after capitalism, but it was based on three criteria; firstly, the realisation of popular democracy; secondly, the rule of the working class and the utilisation of the state power in order to promote socialism; thirdly, the end of the influence of capital within the relations of production. (3) It could be argued that Bukharin’s work is sometimes compatible with this standpoint. This interpretation will not be denied. The central problem consists of the identification of party and class, and it could be argued that this means the undermining of the Marxist aim of the self-emancipation of the working class. However, the Bolsheviks would maintain that the unfavourable situation meant the rule of the party was unavoidable. Hence the party’s conception of the process of transition to socialism meant concessions to elitism, and the recognition of the compromises brought about by civil war. There is an element in Bukharin’s work that has this sense of realism. But what is striking is that Bukharin also tries to uphold the Bolshevik conception of the transition to communism in terms of its compatibility with Marxist political economy and an interpretation of working class self-emancipation. Hence the argument is that despite important terrible empirical realities, such as civil war and counter-revolutionary intervention, the process of the realisation of genuine communism is being advanced. This is an important question for my article to study and evaluate.

A crucial aim of this study is not merely historical. We wish to contribute to a greater understanding of the development and character of communism. Our central intention is to suggest that the party cannot substitute itself for the class in this process of transition. The role of an enlightened elite is not the primary aspect of the realisation of communism. Hence we would suggest that the approach of Marx is justified. The most principled content of a modern revolutionary process must be democratic, and based on the practice of the proletariat. It is not sufficient and principled for a party to define what this practice should consist of. The central question to discuss is whether the theory of Bukharin becomes the pretext to uphold the domination of the party, or does it uphold the principles of self-emancipation in the most difficult of circumstances.

THE THEORY OF THE DICTATORSHIP OF THE PROLETARIAT

Bukharin introduces his analysis with the observation that the major working class party, German Social Democracy, is in crisis because of its inability to interpret the character of imperialism and the world war in terms of a principled perspective of promotion of international proletarian revolution. Instead they are opposed to the development of Soviet power, which is the form taken by the generation of the dictatorship of the proletariat. The immediate question concerns whether the role of the Soviets is capable of sustaining proletarian rule, or is the actually the expression of something more limited and different. Bukharin outlines how the state is the organisation of the most dominant class, which has historically been an expression of the dynamics of forms of exploitation. The aim of the proletarian revolution is to overcome the necessity of the role of the state because of the intention to realise a classless society. Hence an immediate question that this standpoint generates concerns to what extend do the actions of the working class in state power encourages the realisation of a society without the role of the state. In theory and practice, the creation of the workers state, or dictatorship of the proletariat, will be evaluated in terms of whether it is able to promote the demise of the state. Obviously, the situation of civil war will undermine the realisation of this aim because of the necessity of a strong army for the purpose of self-defence. Bukharin acknowledges this point when he accepts that opposition to the workers state means that the attempt to realise a stateless society cannot be advanced in these conditions: “And precisely in order to overcome this resistance, there must be a strong, firm, comprehensive and therefore state organization of the working class.”(3) The point is to what extent will the necessity of a strong state in order to oppose the forces of counter-revolution either undermine or alternatively promote the process of advance towards a stateless communist society?

Bukharin answers this question in terms of the realities of the international class struggle. He argues that the formation of the national dictatorship of the proletariat will result in internal and external counter-revolution, and so the process of developing world revolution cannot avoid the question of war caused by this intensification of the class struggle. He implies that the only strategy that is principled, and does not accept the domination of imperialism, is one of revolutionary war by the workers state against internal and external opposition. This antagonistic character of the class struggle means that there is no alternative to the creation of a strong state based on the role of armed forces of opposition to the belligerent actions of reaction. But the conclusion he makes is problematical: “The revolutionary epoch which has just begun demands an appropriate orientation. If this is an era of unprecedented class struggles developing into class wars, then it is quite natural that the political form of working class rule should have a peculiarly military character.”(4) The argument being advanced is that the actuality of counter-revolution justifies the formation of an authoritarian and military type of proletarian dictatorship. This implies policy is decided by emergency decrees and by a small group of people. The political system is severely centralised and the democratic character of the regime is correspondingly undermined. The primary tasks of the regime are defined in terms of coercion and military functions, and the development of the strong state seems to have provided reasons for the effective end of the democratic character of the political system. Bukharin confirms this conclusion when he contends that the situation of military conflict means that: “Whenever we look at the same phenomenon: ‘national’ ‘popular democratic’ institutions are inconceivable and given the correlation for forces they are impossible.”(5)

This standpoint seems to have compromised Marx’s view that reconciled the dictatorship of the proletariat with the role of democracy. Instead Bukharin contrasts the requirements of dictatorship as being against those of democracy, and justifies this polarisation by suggesting that democracy is inherently bourgeois in character. He consolidates his argument in terms of the argument that Kautsky has defended democracy against the requirements of dictatorship. But this means he ignores Marx’s view that the working class can only consolidate its dictatorship in terms of the strengthening of the forms of popular democracy. He also ignores the fact that the role of the Soviets as popular democratic institutions has to be compromised in order to consolidate the military character of the regime. Hence the relationship of dictatorship to democracy does not have a merely theoretical importance it is also of vital practical significance, but instead Bukharin is justifying the view that the role of democracy is superfluous because of the urgent practical and military tasks of the regime. But if democracy is not the political basis of the state, what is the character of its politics? The answer which Bukharin glosses over is that policy is made by an elite group instead of by the activity of democratic institutions like the Soviets. An end to Soviet democracy is the result of the formation of the proletarian military regime. He justifies this situation by suggesting that the polarisation brought about by the civil war means that the activity of democratic political institutions, either the Soviets or Constituent Assembly, is not possible. Instead the only form of political structure that is practical and principled is one of dictatorship. The ability of the working class to consolidate a revolutionary regime is based on the methods of the dictatorship of the proletariat which by definition excludes the importance of democracy.

What is ignored by this analysis is that the methods of democracy do not weaken and undermine the revolutionary regime but instead are the only political basis to strengthen it. This is the argument of Lenin’s reply to Kautsky.(6) But Bukharin might contend that Lenin is not fully recognising the choices in the present situation of civil war, which is that of supporting dictatorship as against the illusory role of democracy. However, Bukharin ultimately supports Lenin’s views because he suggests that an end to the democratic rights of the bourgeoisie is compatible with political freedom for the masses: “But in return the proletariat gives the broadest freedom to the toiling masses, in deed and not only in name.”(7) Bukharin apparently seems to ignore the fact that this concession to the importance of democratic methods denies the primary character of the state as a dictatorship that ends the role of political democracy because of the urgency of the tasks of the civil war. However, this apparent contradiction is resolved by suggesting that democracy is limited to the activities of the workers and poor peasants. For example, the bourgeoisie are not able to publish newspapers, but workers are given this right, and this restriction of democratic rights is justified in the following manner: “But this violation of the 'freedoms' of the capitalist class gives a guarantee of real freedom to the toiling masses.”(8) Bukharin justifies his contradictory arguments about democracy by maintaining that the situation has changed. The working class needed bourgeois democratic freedoms in the period of the struggle for politic al power, but now the situation has altered with the formation of the dictatorship of the proletariat. But the point that is glossed over concerns whether the restriction of democratic rights in the name of the dictatorship of the proletariat actually benefits the workers and peasants? Hence, the restrictions of the rights of the bourgeoisie could be used against dissident workers who opposed aspects of the policies of the regime. The fact is that democracy can only be principled and function properly when its character is universal, which was the viewpoint of Kautsky.

However, the most crucial aspect of this discussion is that Bukharin has unintentionally outlined how the civil war has had a retrogressive effect on the character of the revolutionary regime. The development of civil war has led to the formation of a more authoritarian state formation which is defended by Bukharin as the generation of the proletarian military dictatorship. This formulation seems to represents a pragmatic justification of the end of the popular and democratic character of the workers state, and instead supports a narrowing of its social base. Hence what Bukharin has to try and justify is the view that the formation of the proletarian military dictatorship has not undermined the class character of the workers state. He outlines this standpoint in terms of the implication that the military dictatorship has not undermined the central task of the dictatorship of the proletariat which is to carry out an economic revolution or the transformation of the relations of production. The primary task of the dictatorship of the proletariat is to undermine the economic power of the capitalist class and replace it with the domination of the economic aims of the working class. Hence the political superstructure acts to promote and develop the connected economic structure. In this context the military form of the dictatorship of the proletariat is said not to have eroded the ability of the various organisations of the working class to be part of the state, and therefore they are an integral part of the realisation of the aims of the dictatorship of the proletariat. Whilst the trade unions are considered to be the most important participatory organ, the centralised role of the Supreme Council of National Economics is the primary and crucial instrument for the development of the socialist character of production. This economic centralisation is complemented by the leading political activity of the Council of People’s Commissars.

Despite economic and political centralisation, the state is defined by the role of the mass organisations, the trade unions, factory committees and soviets. Bukharin concludes: “Thus the soviet form of the state is the self-government of the masses, where every workers organization is a component part of the whole apparatus.”(9) But the aspect that defines what is happening is a question of the relationship of form and content. In formal terms, the organisations of the working class represent the initiative and participation of the masses in the functioning of the state, but in practice the most important aspects are the centralised and hierarchical organs connected to economic policy making and the implementation of political decisions. Ideologically the state is defined by the role of the soviets, and this aspect is considered to express the popular and democratic character of the workers state. But, Bukharin has already admitted that this situation is modified by the necessity of a military dictatorship because of civil war, and the most important institutions are those involving the economic experts and the central organ of the Soviets. Hence the content seems to contradict the form, and it is questionable whether the state is truly based on the role of the Soviets, trade unions and factory committees. Indeed, Bukharin has admitted that this is the ideal that is not realised because of civil war and the necessity of the military form of the dictatorship of the proletariat, which implies that the executive and legislative functions of the state are not truly in correspondence. Instead a small group of people act on behalf of the workers state. (10)

Hence, Bukharin has outlined the actual situation of elitist centralisation because of the imperatives of the civil war but he also recognises that this development is effectively indefensible from the point of view of the democratic principles of genuine Soviet power. Thus he also argues that the state continues to express the participation and involvement of the working people in its process of decision making and administration. However, one of these conflicting views must be false and illusory. What is true and relates to empirical reality is the conception of military proletarian dictatorship because of the situation of civil war. In contrast, what is ideal, or an expression of what could be, is the description of a participatory and democratic workers state. What is unprincipled in Bukharin’s approach is not his acceptance of the proletarian military dictatorship, which is merely an acceptance of unavoidable developments within the class struggle, but instead the justification of the illusory view that this situation does not contradict the possibility to also realise the democratic and participatory role of the Soviet state. However, at least Bukharin’s attempt to reconcile the ideal and the actual is better than Trotsky’s apologetic definition of the actual as the ideal. (11)His crude identity of the character of the workers state with the militarisation of labour is inferior to Bukharin’s attempt to reconcile the actual with a principled understanding of the ideal. The tragedy is that the tension between the actual and the ideal does not seem to be capable of reconciliation and this results in the contradictions within Bukharin’s approach.

In other words, in order to overcome the strategic impasse in the work of Bukharin he had to reconcile the empirical necessity of the military dictatorship of the proletariat with the aim of realising the participatory principles of Soviet democracy. However, this effectively meant admitting that the present situation was unsatisfactory in terms of the lack of genuine involvement of the working people in the apparatus of the state and the workplaces. This was a truth that he could not accept because it would imply that the present situation did not represent the principled realisation of the features of a healthy workers state. He would have to admit to the fact that the present character of the workers state was one with bureaucratic distortions, and therefore had to be improved in terms of the effective participation of the working people. Bukharin could not admit to these contradictions and instead justified in ideal theoretical terms the reconciliation of the incompatible aspects of the military dictatorship and Soviet democracy. He could not outline in practice how the conflicting aspects of the military dictatorship and Soviet democracy could be connected in genuine terms of accommodation. Instead he outlined a formal reconciliation in terms of theory and ignored their practical dichotomy. But his contradictions and omissions are at least preferable to Trotsky’s effective glorification of the bureaucratisation of the state and Lenin’s denial of the importance of military dictatorship. The inability of all of these revolutionaries to understand the cause of the problems of the state was because they did not question the role of the party within the state. They did not understand that that it was actually the importance of the party that caused the elitism within the state. Hence the effective reconciliation of the continuation of the military dictatorship with the advancement of Soviet democracy required a decrease in the influence of the party within the state, and the related increased involvement of the non-party masses in order to bring about the genuine development of authentic Soviet democracy. However, this was a step too far for Lenin, Trotsky and Bukharin. They did not consider that their task was to promote the ability of the working class as a class to develop its skills and ability to participate in the activity of the state and economy. Instead the character of the role of the class was often associated with its vanguard, or the activity of the party. Hence the vanguardist conception of the generation of socialism within the economy and politics could not realise the actual progress of the working class as a class to be the ruling class. Instead the party substituted itself for the class.

Bukharin acknowledged this situation with his conception of military dictatorship. But he could not bring himself to utter the connected truth which was that Soviet democracy was not being realised. Instead he insisted that Soviet democracy, and the involvement of the working class within the administration of the economy, was occurring. He was unable to accept that workers control of industry was not developing and that the workers were not running the state. Hence he could only admit to a partial truth which was that the military dictatorship had been formed in order to organise opposition to counter-revolution within the civil war. The implicit admission was that the party organised the state via the role of the military dictatorship. This situation was not acceptable to Bukharin which was why he fooled himself that the organs of Soviet democracy were also functioning in an effective manner. He was able to come to terms with empirical reality by being content with the appearance of what was happening and not accepting its essence, which consisted of the bureaucratic distortion of the character of the workers state. Ultimately it was Lenin who understood the situation better than Bukharin. Hence Bukharin contented himself with the illusion that genuine Soviet democracy, based on the participation of the working class, was also developing a military dictatorship. But at least his illusions were preferable to Trotsky’s glorification of what existed, which justified the view that Soviet democracy was not essential to the character of the workers state. Bukharin tried to come to terms with the contradictions of the situation, whist Trotsky adapted to empirical reality but diluted principles in the process.

ECONOMICS OF THE TRANSITION PERIOD

Bukharin introduces his major work by contrasting the principles of disintegration and organisation. The capitalist system, via the impact of world war, is in a state of collapse, but the alternative is being established in terms of the organisation of a new system: “Never before has there been such a mighty collapse. But without it there could be no revolution of the proletariat – the proletariat which is building the foundations of the new future society out of these disintegrating elements in a new relationship, new combinations and in accordance with new principles. And, is building it, moreover as the class subject, as an organized force which has a plan and supreme will to implement that plan, whatever the obstacles.”(12) The question that is immediately apparent is to what extent will the collapse of capitalism effect the possibility to build socialism? Will compromises have to be made that result in the undermining of the aims and principles of the attempt to create an alternative society? Bukharin would argue that his approach is based on recognition of what is happening within the world economy, capitalism really is in crisis because of world war and is therefore generating the aspiration for change in terms of increasing support for world revolution. Furthermore, this situation has been expressed in the formation of a regime that is dedicated to the aim of realising communism, and the working class is the creative class that is able to achieve these tasks because of the introduction of planning and the role of organisation.

There are two central questions that immediately confront this perspective. Firstly, can capitalism overcome its crisis, and so overcome the tendencies that promote change. Secondly, has Bukharin a satisfactory understanding of how the working class can achieve communism? Is the introduction of planning sufficient to advance the prospects of communism? These two aspects are inter-connected. If capitalism does realise stabilisation the revolutionary regime will be isolated and so its ability to make progress towards communism will be restricted. Hence Bukharin’s approach is based on the effective advance of international revolution. However, the class struggle may have uncertain outcomes that could create the necessity of revision of perspectives, but Bukharin seems quite categorical that modification of his perspective is totally unnecessary. He also argues that bourgeois political economy, which studies commodity production, the market and economic laws independent of the activity of individuals will have no place within the revolutionary society: “Indeed, as soon as we take an organized social economy, all the basic ‘problems’ of political economy disappear; problems of value, price, profit and so on. Here ‘relations between people’ are not expressed as ‘relations between things’ and the social economy is regulated not by the blind forces of the market and competition, but by a consciously followed plan.”(13) Indeed, the very theoretical necessity for any role for political economy is overcome in the new situation. This emphatic and effectively dogmatic stance conceives of rigid differences between old and new and so the concepts and processes of the old are held to have no importance for the new situation. Hence the market is dismissed as anachronistic, and the plan is defined as it’s opposite and relevant. But these rigid binary opposites may not explain the situation. The workers aspire to obtain consumer goods and so are prepared to engage in exchange with the peasants for this purpose. This process implies a continued role for the market. Hence the significance of the market is not restricted to productive activity under capitalism. But this standpoint is not acknowledged by Bukharin because of his rigid separation of categories and concepts into the realm of bourgeois political economy or the alternative of the organised society. Hence he cannot accept the fluidity of categories which is a result of the very needs of the workers and peasants. (He was to understand this point in the mid 1920’s) Hence, as an outcome of rigid theoretical reasoning the importance of aspects of bourgeois political economy for the situation of the transitional economy is not accepted. Instead we have an inflexible dichotomy between market and plan. The implication is that repression may have to be utilised in order to bring about the end of the role of the market, which can only have a disruptive and anarchic role in relation to the attempt to advance the organised economy.

Bukharin elaborates his argument and suggests that contemporary capitalism is based on the dynamic of anarchic exchange relations, and this means the imperatives of the market overcome any tendency for the development of the social division of labour to be organised in accordance with a plan. This tendency can only be realised when the role of the market is suppressed and is instead replaced by a plan: “A commodity society is a system with a particular model of relations, which determines the highly specific categories of the commodity world. The system is not a ‘teleological unity’, i.e. a consciously directed system with a definite plan. Here the economic system does not even have a subject. It is not a case of ‘society produces’ but of ‘production takes place in society’. And for this reason the people do not rule the product, instead the product rules the people and the ‘spontaneous force of economic development exceeds the limit of what is desirable.”(14) Hence if people are to organise and control the process of production then the role of the market is to be overcome. This development is to be achieved by means of a plan. The working class cannot act as an economic subject when the market dominates and undermines any attempt to generate an organised form of planning.

This standpoint seems reasonable in theoretical terms and refers to the formal distinction between two types of economy that assume different laws and categories as the basis of their activity. The market belongs to capitalism, whilst the plan is the basis to promote socialism. What is ignored is that the newly developing transitional economic system is the result of the development of capitalism. The influence of the market is the residue of capitalism and is expressed by the demand of workers for objects of consumption. This situation creates the unanswered question concerning how the market could still have a role to play in promoting the ability to resolve this problem. This does not mean the market should be dominant to the extent that it undermines the aim of conscious planning, but rather the role of the plan should be based on meeting market demand. In contrast, Bukharin’s rigid differentiation between plan and market is not able to theoretically conceive of this resolution of a real concrete economic problem. Instead the assumption is that the influence of the market within the organised economy cannot be contemplated because it would imply the generation of the influence of anarchic commodity producers. Hence the only alternative is planning, but this view does not acknowledge that one of the aims of the plan is the realisation of consumption. Hence the market is still important, but is actually transformed in terms of an orientation to the realisation of the needs of society. The connection of the market to the process of capital accumulation would not occur. In contrast, Bukharin can only conceive of the unity of prices, the role of the market and competition. He connects the role of the market strictly with capitalism. Thus he cannot envisage the importance of the market within the society of the revolutionary regime.

His standpoint is already compromised by his recognition that the anarchic character of capitalist productive activity is subsumed by the progress of organisation in the formation of state capitalist trusts. Planning becomes a crucial aspect of the process of the realisation of capital accumulation, and competition on a national sale is increasingly replaced by the influence of centralisation. Hence he admits that the development of capitalism can alter the relationship between planning and the market. Planning is an integral aspect of capitalism, and so why should the market not be vital to socialism? His answer seems to be that this development of centralisation creates rivalry between state capitalist trusts that leads to inter-imperialist war and the beginning of the collapse of capitalism. Hence the aspects that characterise capitalism, such as the market, are connected to the dynamics of its contradictions and tendencies for decline. In contrast, planning is progressive and so can only be consistently realised with the development of socialism. But what is truly contradictory in his approach is his acceptance of the dynamics of centralisation. He tries to deny that this aspect is progressive because the role of the state has led to conflict and struggle between rival state capitalist trusts. Hence state capitalism, or the organisation of finance capital, has led to inter-imperialist rivalry and war.

In other words the development of planning within the formation of state capitalism was an attempt to resolve the contradictory tendencies leading to crisis and war. However the actual result of the process of the advance of planning was to intensify the contradictions of world capitalism: “Thus the reorganization of the relations of finance capitalism was a move towards a universal state capitalist organization, with the abolition of the commodity market, the transformation of money into an accounting unit, production organised on a national scale and the subordination of the entire ‘national economic’ mechanism to the aim of world competition, i.e. primarily of war.”(15) But because of the limitations of capitalism the attempt to overcome the anarchy within economic activity took reactionary forms. This situation was ultimately expressed by war in order to attempt to complete the process of centralisation. The only logical conclusion is that only the development of a new type of society based on the realisation of a different type of state power and class rule can definitively overcome the problem of anarchy within the relations of production. Intensification of the contradictions of the present economic system was because of the historical limitations of state capitalism that had led to inter-imperialist rivalry and war. Consequently the assumption is that only an alternative economic system can bring about the definitive successful development of organisation and planning, and end the problems posed by the combination of the market and anarchy. This means that state capitalism was a transitional form that indicated how it was possible to realise a society based on the consistent principles of organisation and planning. But, paradoxically this process of economic and social regulation has not been smooth and harmonious. Instead it has taken the form of world wars and the destruction of the very material basis of society. There has been social regression because the very development of the productive forces and its reproduction has been placed into doubt because of war, and the wasteful utilisation of workers and the means of production. Hence if society is to progress the implication is that only the most progressive aspects of society such as planning are necessary, and all that has contributed to the undermining of economic and social development such as the anarchic role of the market is superfluous.

This approach would represent a logical conclusion if the situation was conducive to the promotion of planning and the transcendence of the market. But Bukharin has outlined a crucial reason why the situation is not favourable to this prospect. He outlines how the war economy, which is inherited by the revolutionary regime, has generated a situation of the most wasteful utilisation of the productive forces. (To be explained below) This suggests that what characterises the economic condition is a scarcity of resources. Hence the very role of the market becomes relevant, and the process of generation of its replacement is undermined by this acute economic situation. In order to ensure the ability to meet economic needs the market becomes a necessity. To some extent rationing may have to be introduced, but this policy can be reinforced by the application of a limited role for the market. The point is that Bukharin has outlined the development of a situation which seems to contradict Marx and Engels understanding of what may constitute the most favourable conditions for the process of transition to communism. They outlined how the situation of the development of the productive forces represented the objective and material basis for communism. (16) It is in this context the possibility to replace the role of the market with that of the plan would be feasible and practical. In contrast, Bukharin is outlining how the process of world revolution is occurring in historical conditions that are different to those that Marx predicted. This means that policies must be modified, and the very conception of the transition period altered in order to relate to these changed conditions. One aspect of this change is that the apparent transcendence of the role of the market will not be occurring in an uncomplicated manner. Instead the relevance of the market will reassert itself because of the very problem of the development of the productive forces. However, the fact of proletarian state power will ensure that this importance of the market will not result in the restoration of capitalism. This acknowledgement does not mean that the significance of planning is in any sense diminished. Instead the question will be to combine the role of the planning and the market in unfavourable economic conditions.

Consequently, we have a contradiction which could not have been envisaged by Marx and Engels. On the one hand the very development of state capitalism leads to world war, and the effective destruction of the productive forces. On the other hand, this situation intensifies the process of class struggle and generates revolutionary change. (This is what happened) Hence the formation of the dictatorship of the proletariat occurs in a situation that does not correspond to the development of the productive forces. Thus novel methods have to be established in order to advance the process of socialist construction. The role of coercion would seem to be ruled out because this would imply the imposition of authoritarianism and the elitist centralisation of state power. On the other hand this option would seem to have become preferable because the very destruction of the productive forces has enhanced the tendencies for the development of civil war. Hence the only other option is to promote consensus by the method of reconciling plan and market. However, this would seem to be ruled out because theoretically the market implies the restoration of capitalism. This situation implies a strategic impasse. Therefore our starting point is to try and understand the objective situation and so develop the most relevant policies. This is how Bukharin proceeds.

The war has led to a massive undermining of the development and reproduction of the productive forces in terms of the removal of large sections of workers into the armed forces and the necessity of increased resources for consumption by the army. This situation is intensified by the production of armaments that result in their utilisation in war instead of becoming part of the process in consumption: “Thus it is clear that the real basis of social production gets narrower with every cycle of social capital. What we have in this case is not expanded reproduction but ever increasing under-production. This process may be called expanded negative reproduction, and this is what war is from the economic point of view.”(17) Thus the profits of the war economy occur at the expense of a diminishing sum of surplus value, or the decrease of the productive exploitation of the working class. If the war had ended after a period of about two years it may have been possible to restore the process of economic development. Instead the war has continued, and has never finished in terms of the upheaval in Russia which has accomplished the revolution. Hence the situation of economic and political equilibrium does not apply, and so the categories of this situation such as the law of value have to be replaced by categories that more accurately reflect the ‘abnormal’ situation: “This means that conditions of mobile equilibrium do not obtain, and, consequently, in methodological terms it is quite inappropriate to conduct an analysis of value relations and categories of relations which are made a fetish of in general. On the contrary, the need is to consider the natural forms of things and of labour power, to keep an account in those units and to examine society itself as an organization of component elements in their natural and material character.”(18)

This is Bukharin’s explanation for rejecting the importance of categories of the market and value. These categories have begun to become irrelevant in the process of the acute crisis of capitalism and the situation of expanded negative reproduction. So why should these categories become useful for the development of policy in the transition period of the revolutionary regime? The answer that he could not acknowledge was that it was the very acute nature of the crisis, and its inheritance by the revolutionary regime, which actually promoted the importance of the market. This was because a situation of acute dis-equilibrium meant the generation of a chronic situation of scarce resources and a lack of goods to satisfy the population. Hence the role of the market became crucial in order to try and resolve this situation. But Bukharin would argue that it was idealist and impractical to uphold the view that the operation of the market could be feasible because it had already become dis-functional in a situation of the increasing crisis of capitalism, so why would it work under the dictatorship of the proletariat? Instead of maintaining ideological illusions in the role of the market it was necessary to advocate the alternative principles of the plan, which were more compatible with the organising principles of the transitional economy. The problem with Bukharin’s view was that he glossed over the fact that the most basic item required in a situation of acute crisis and the regression of the productive forces was food. This meant incentives had to be provided to the peasants who were the producers of food. These incentives were generated by the role of the market, which meant trade and the sale of food products as commodities. Instead of this recognition of empirical reality, Bukharin operated in terms of the absolute contrast between the plan and the market. The market is associated with the disorganisation and limitations of capitalism in crisis, whilst the plan is defined as progressive and the only feasible basis to establish rationality and organisation within the process of production. Only the plan is compatible with the development of socialist relations of production. This point may be true in generalised terms but it is not concrete and specific. The market may be anachronistic but it still provides the only feasible basis to motivate the peasants to produce in terms of the prospect of material incentives. Hence the absolute emphasis on the plan is a recipe for peasant discontent and rebellion against the revolutionary regime. Only the onset of the civil war postponed this development, and made the forcible requisition of grain in order to feed the army and cities seem barely acceptable. However, this situation did not represent planning and instead the peasants were deprived of their food by squads of workers.

The point is that whilst Bukharin outlined an articulate understanding of the crisis of capitalism and the decline of the productive forces, he underestimated its extent and depth in relation to the impact on the dictatorship of the proletariat. The plan could not be effectively established because of the dislocation of production caused by the war, and instead the situation regressed to a barter and natural economy. Hence the organising principles of the transitional economy were a formality, and whilst Bukharin recognised the necessity to evaluate economic activity differently to the situation of the functional operation of the capitalist system he did not comprehend the extent of the depth of the economic crisis of the new regime. In other words, he did not consider that the very survival of society had been called into question. This was because, firstly, he had he utmost confidence that the dictatorship of the proletariat would develop the appropriate policy to tackle the difficult economic situation, and secondly, he expected the imminent development of world revolution. The situation of generalised expanded negative reproduction was being expressed in the intensification of international class struggle, and the increasing refusal of the proletariat to be the agency of the declining process of the accumulation of capital. The objective basis for the working class to act in accordance with it functions within capitalist relations of production has been undermined, and instead the workers are in an increasing condition of open rebellion: “The actual economic situation in Europe 1918-20 clearly shows that this period of collapse has set in and that the old system of relations of production shows no signs of revival. Quite the reverse, the concrete facts all indicate that the elements of decomposition and the revolutionary severance of relations are progressing with every month that passes.”(19)

Consequently, the international working class is acting in accordance with the situation of economic collapse, which has been caused by the dynamics of expanded negative reproduction, and they have increasingly becoming explicit supporters of a revolutionary alternative. The prospect of world revolution will create new opportunities, and so any illusions about the utilisation of discredited and failed mechanisms like the market would be absurd. Instead the only strategy and perspective of an alternative to the decline of the productive forces caused by the operation of the law of expanded negative reproduction is that the working class becomes the dominant force in the organisation of social labour. In the context of the absolute decline of capitalism there is no other option than the task of the construction of communism. Bukharin has some sense of the options confronting humanity in this dire situation, but he still considers that the possibility of absolute economic regression is secondary to the alternative of communism: “In theory, further decay is conceivable with the death of civilisation and a return to the primitive forms of medieval semi-natural economy…..At present, however we can assert that the restoration of the old capitalist system is impossible. The components of the technical and productive apparatus must be taken up in a new concatenation and united in a new type of relationship, for the development of society to be possible. Thus, mankind is faced with a dilemma: ‘the death of civilisation or communism', and there is no alternative.”(20) It seems that Bukharin has a sense of the terrible situation in Russia, but he immediately rejects its significance and instead emphasises that the only option is communism. This means he effectively denies that the possibility of regression to a natural economy has occurred in many parts of Russia. Such a prospect is admitted in theoretical terms, but this option is contrasted with communism which is effectively defined as the only practical possibility. Hence he has tried to gloss over the logical implications of his theory. The collapse of capitalism has led to the revival of the natural economy. In this context the development of commodity production for the purpose of trade would be a progressive advance from the situation of self-sufficiency and the isolation of the peasantry. Furthermore, this development would begin the restoration of industry and the re-establishment of factory production. Only after the success of these immediate policies would the question of communism acquire any practical relevance.

In other words despite the level of realism within the analysis of Bukharin he has still underestimated the depth of the seriousness of the economic situation and the fact that economic policy has to begin with what is rudimentary. Therefore his approach is not concrete, and instead of outlining what has to be done in order to begin the process of restoring the productive forces, he assumes that this task can be completed in uncomplicated terms. The conclusion is that the progress of the advance of socialist relations of production is assured: “Assuming that after a number of production cycles, the productive forces start to increase, one fundamental precondition is essential: the growth of socialist relations of production (advancing towards communism) In this case, the ‘cost’ of the revolution (both the interruption in the labour process and the direct expenditure of social energy in the process of civil war) will be the price at which human society buys itself the opportunity of further growth.”(21) The assumption is that the situation of economic dislocation is inherently temporary and resolvable. Therefore the direction of the economy is defined by the prospect of making progress towards the consolidation of socialist relations of production. Hence the uncertainty caused by the collapse of the economy is under-estimated, and this means the policies recommended assume a utopian flavour based on over-confidence about the development of the dynamics towards communism and the connected illusions that the principles of the plan have replaced the role of the market. The actual objective starting point was the effective total demise of industry and the regression of agriculture into a natural economy. Thus the emphasis of policy should have been about how to revive industry and agriculture, and in this context the role of the market would not have been dogmatically dismissed.

The over-confidence of Bukharin about the situation of the Russian economy was connected to the prediction of imminent world revolution. This view dogmatically connected the economic situation with the inevitability of world revolution, and so he ignored discussing the complexity of class consciousness and the level of willingness within the international working class to struggle for revolutionary change. He also denied the possibility of the world economy to recover from the situation of expanded negative reproduction, and he underestimated the counter-revolutionary role of the trade union leadership and Social Democracy. Lenin had a more cautious comprehension of the prospects of world revolution. (22) But Bukharin made the error of rigidly making political conclusions from economic analysis. His perspective of world revolution is principled but it is over-optimistic. Instead of allowing for the uncertainty of politics his approach is based on economic reductionism which results in the conclusion that international revolution is imminent because of economic collapse. This dogmatic approach does not explain what would happen if world revolution does not happen in the short-term. What would be the prospects for the building of communism within Soviet Russia? Furthermore, could capitalism revive and so undermine the prospects for the international revolutionary transformation of the situation? The one-sidedness of his standpoint indicates that it is rigid and unable to explain changing events in a flexible manner. Instead his prediction of imminent world revolution is solely the outcome of his economic analysis and so does not accept the flexibility of politics.

Bukharin has admitted that the economic situation is not favourable for the new revolutionary regime because of the legacy of the collapse of capitalism and the retrogressive economic effect of civil war. The result of this situation is the reduction of the productive forces. But he also undermines recognition of the full extent of the seriousness of the situation in terms of his confidence that the creation of a state power dedicated to the construction of socialism will overcome these adverse aspects: “Then the cost of revolution and civil war will be seen as a temporary reduction of the productive forces, which nevertheless laid foundations for their massive growth, after the relations of production had been reconstructed on a new footing.”(23) The problem with this view is that the formation of the new state power is not the expression of the development of coherent relations of production that generate the almost automatic development of the productive forces. Instead the new regime is part of a situation of economic crisis and dis-organisation that means the immediate policy should be how to restore the conditions for even a minimal level of production and trade in the form of exchange between town and countryside. Bukharin admits to the problems of civil war and dislocation but he rigidly suggest that these will be overcome by the promotion of socialism: “From the point of view of preserving and developing human society, therefore, socialist relations of production represent the only way out, since they alone can create the conditions for a relatively mobile equilibrium in the socio-productive system.”(24) This view is still over-optimistic because the extent of the decline of the productive forces, and the seriousness of the situation produced by civil war and general economic dis-organisation means the emphasis on policy should be on the aim of ensuring the reproduction of labour power and the very survival of humanity. In this context the historical justification of the revolutionary regime is that it can promote the process of survival better than the declining role of capitalism. However, this is not the emphasis of Bukharin instead he is orientated to the long-term development of socialist relations of production, and so he effectively glosses over how the basic revival of industry and agriculture can be brought about in order to create the per-conditions for socialist development. Bukharin’s neglect of this situation means that the policies he does support for the advance of industry and agriculture are inappropriate and adventurist. This is because of his over-confident evaluation of the immediate economic situation.

An important reason for this optimism is that Bukharin considers that the dynamics of the undermining of the coherence and organisation of the productive forces caused by the action of the working class will be transformed by the promotion of the organisation of production by labour under the state power of the dictatorship of the proletariat: “During the epoch of the disintegration of capitalism… capitalism cannot possibly be saved, because the basic productive force of society, the working class refuses to fulfil its capitalist and capital-generating function. The basic pre-condition for the building of socialism is the transformation of this capital generating function in a social-labour function. This is possible only when the proletariat is in control, i.e. under its dictatorship. Only with the transformation of the proletariat from the exploited class into the ruling class does the restoration of the labour process, i.e., social reproduction become possible. Within this framework the problems facing the proletariat are by and large....... the same as those facing the bourgeoisie under expanded negative reproduction: the economical use of all resources, their planned utilization and the maximum possible centralization. The...... continuity of the production process during the period of disintegration demands from the viewpoint of social and organizational technology just this transition to socialist relations of production.”(25) The problem with this standpoint is that it takes for granted that the task of social and organisational coherence will occur under the proletariat. But this development is one of the most daunting and difficult tasks and so requires complex measures for its resolution. Instead of admitting the importance of this task, via the carrying out of measures to promote the immediate revival of industry and agriculture – which will create the material basis for the generation of advance towards organisation – Bukharin’s argument is that the formation of the dictatorship of the proletariat automatically has the inherent capacity to resolve these tasks. Hence the dynamic towards planning within state capitalism continues and is advanced within the activity of the proletarian state, and this process is expressed by nationalisation of production, and economic exhaustion is an incentive to the promotion of rationalisation: “The aggregate of these conditions demands one solution and one only to the problem: the transformation of capitalism into socialism via the dictatorship of the working class.”(26)

In other words the seriousness of the situation caused by the lack of economic equilibrium in the period of the formation of the dictatorship of the proletariat is not fully recognised because the very automatic answer to these problems is the role of the state power of the working class. This development will immediately generate measures for the organisation and rationalisation of production, via the act of nationalisation, and therefore overcomes the effects of the collapse of the economy that has occurred under capitalism. Hence the task of the survival of society is posed in terms of the creation of socialism by the dictatorship of the proletariat: “We have seen that, what for society as a whole represents the condition for its continued existence, for the proletariat represents an organizational problem to which it must find a practical solution. During this period the proletariat has to actively build socialism and at the same time re-educate itself in the process of this re-construction.”(26) Therefore on the basis of the most realistic and serious evaluation of the economic situation, in terms of recognising the acute dis-location and collapse of the economy inherited by the Soviet regime, Bukharin comes to idealistic and voluntarist conclusions. Instead of the logical conclusion that the central task is the promotion of the survival and revival of industry and agriculture, he argues that the primary role is the generation of socialism because of the organisational possibilities represented by the dictatorship of the proletariat. This standpoint is justified by a mythical view of the potential of the working class which is defined in the following idealist terms: “The proletariat, as an organized collective subject, is building socialism as an organized system.”(27)

The actual logical approach would have been to suggest that socialism was the potential outcome of the successful resolution of the problems posed by the very survival and reproduction of the economy. Instead of this sober recognition of the immediate and urgent problems of promoting the material basis of the transitional society, the economic collapse of capitalism - which is inherited by the Soviet regime - becomes the justification to effectively leap over this necessary stage of restoration in the process of economic reconstruction, and instead it is suggested that the very formation of the dictatorship of the proletariat has the potential to begin the task of constructing socialism and communism. Consequently, the tasks of survival and reconstruction become defined in the voluntarist terms of the process of developing socialism. This means the immediate needs of the workers and peasants for food and other necessary items becomes defined in terms of the aims of building socialism. The result is the justification of requisition of food from the countryside in the name of the proletarian state and socialism. Thus the necessity of an economic programme of reconstruction is neglected, and instead the aim of the adoption of socialism is adopted. A policy of sectarianism towards the peasantry can be justified in terms of the requirements of socialism, which means the forcible seizure of food. The fact that this policy undermines the realisation of the tasks of economic reconstruction becomes ignored. In other words ideology dictates policy instead of it being the outcome of an empirical process of reasoning. It would be more sensible to consider how to motivate the production of food by the peasants, but instead of this aim the standpoint of communism repudiates the importance of the interests of the peasants. The result of this situation is that the workers do not receive food and so they no longer have an incentive to continue to be industrial workers. Hence they move to the countryside in order to become peasants who have access to the process of food production. This means the aim of the rational organisation of production dos not occur and instead the dynamic of economic dis-location is only intensified. However, the role of ideology means that policy is not changed, and so the attempt to achieve the successful requisition of food from the countryside is only intensified.

Bukharin cannot recognise the regressive aspects of this situation. Instead he can only comprehend a progressive historical dynamic of change. Hence he contends that the ideological revolution of the working class, as a reaction to the economic collapse of capitalism, has promoted political revolution and the formation of the dictatorship of the proletariat. At this point he should have outlined the policies that could tackle the seriousness of the situation of economic dis-equilibrium, but this would imply retreat and the acceptance of the private production of food by the peasants. Instead of this realism, he outlines that the only possible and principled course of action was the development of socialism by the new proletarian state power: “The dictatorship of the proletariat, which is the concentrated power of the working class organized as a state power, acts as a powerful lever of economic upheaval. The capitalist relations of production are smashed. The old economic structure ceases to exist. Surviving links are forcibly cut….The component parts of the old system are taken up into a new combination and in the long and tortuous process a new model of relations of production emerges. The foundations of socialist society are laid.”(28) In the name of a dynamic of historical progress an effective class war against the peasants is justified. This is what is meant by undermining capitalism and replacing it with socialism. In contrast, pragmatism would mean recognising that the continuation of small scale capitalism was unavoidable if food was to be produced for the cities. The very logic of reconstruction would imply that the aim of promoting socialism would have to be moderated and related to the task of developing an economic and political alliance with the peasantry. This meant organisation and rationalisation could not be understood in a dogmatic manner, and it could not mean the attempt to repress all forms of capitalism. The actual and objective basis of the foundations of socialism would mean measures had to be taken to create an alliance of the workers and peasants. Instead the difficulties of reconstruction justified in voluntarist terms the forcible seizure of food from the peasants. But this process was not successful, and did not result in the feeding of the workers. What actually happened was the collapse of industry. To define this situation as the generation of socialism was a delusion.

But Bukharin did justify economic upheaval as the basis of the development of socialism. Indeed, he argues that economic revolution results in a technical revolution and the structural reorganisation of society that leads to the development of the productive forces. What had actually happened was that methods of coercion had undermined capitalism – the peasant economy – and led to nationalisation of industry. But the actual and objective result of this situation could only be the regression in the development of the productive forces and the alienation of the peasants from the Soviet regime. The effective neglect of the tasks of reconstruction in the name of socialism and historical process had meant the justification of idealist voluntarism and the promotion of illusions about the prospects for the promotion of socialism. Only the introduction of the New Economic Policy upheld realism about this situation. However, forcible methods of requisition could be just about justified in terms of the demands of civil war. But the result was the continuation of economic dislocation and the inability to begin the task of reconstruction. The generation of socialism did not define this situation.

In other words the contradiction of Bukharin’s approach was that on the one hand he recognised the importance of the legacy of the economic collapse of capitalism and its impact on the transition period of the dictatorship of the proletariat. On the other hand he denied the importance of this understanding because he suggested that socialism represented the dynamics of organisation and planning that would quickly overcome the dislocation of the decline of the productive forces inherited from capitalism and still evident in relation to the regressive effect of the civil war. He contends that: “The relative equilibrium, achieved by the structural reorganization of society, ensures that the productive forces can function properly although initially only on a restricted basis.”(29) Thus the theoretical confidence generated by the view that the introduction of the dictatorship of the proletariat can realise the creation of socialist relations of production ideologically rejects the importance of the legacy of economic collapse. Instead it is implied that the introduction of socialism will inherently introduce organisation into the economy, and so overcome the significance of economic collapse and the situation of the breakdown of relations between town and countryside. This confident perspective implies that the task of reconstruction of the economy will be quickly resolved by the mechanisms of organisation and planning, and therefore the task of developing relative equilibrium within the economy – the development of the productive forces – will be quickly resolved. Hence Bukharin’s conception of the transition to socialism introduces misleading simplistic appearances that distort recognition of the complexities of the situation. Thus in a contradictory manner Bukharin can admit that important parts of the means of production were destroyed because of expanded negative reproduction in the period of the world war, civil war, and general economic upheaval, and yet he also argues that the economic relations within the working class remain intact because of an increased class consciousness and cohesion which means that the capacity to promote socialism is enhanced: “Given the decisive importance of the relations of production within the working class – a class which is constantly re-educating itself……all the work is shouldered by the working class and its own proletarian intelligentsia, educated in the course of the revolutionary struggle.”(30)

Hence the state power of the working class, combined with the ability to relate together in terms of the generation of new relations of production, means that the pre-requisites are being created to overcome the situation of dis-location within the economy. This possibility is enhanced by the role of the party and its aim to promote the interests of the working class. These developments are also encouraged by the transformation of the role of the old technical intelligentsia from being an agency of capitalism into becoming a servant of the interests of socialism. What is being suggested is that the relations of production are being constructed that advance the aim of developing socialism, but it is interesting that this standpoint is not based on the primary role of the economic activity of the working class. Instead socialism is defined in a different manner: “First of all, under the state power of the proletariat and the proletarian nationalization of production, the process of the creation of surplus value as a specific category of bourgeois society disappears.”(31) In other words the character of socialist relations of production is not defined by the dynamic role of the working class within economic activity, and it is instead an expression of a combination of the role of the state and nationalisation. This relationship is apparently sufficient to overcome the generation of surplus value within the economy and instead establishes a different logic that promotes the creation of socialism. This understanding is the justification for the substitution of the role of the party state in place of the primary activity of the working class in connection to the aim of realising socialism. The party is the most important aspect of the state, and so caries out the measures of nationalisation. In this sense socialism becomes about organisation, and the importance of the working class acting to overcome its subordinated position within the process of production is placed in doubt. Bukharin tries to re-assure any critics, and argues that this development is sufficient to end the process of capital accumulation because surplus value is no longer extracted from the working class. His standpoint is that proletarian state power, plus nationalisation, equals the formation of socialist relations of production. This view would be more convincing if he admitted that the character of the state was based on the influence of popular democracy, and workers control was the most crucial aspect of economic activity. Instead he has already admitted that the state represents a proletarian military dictatorship, and the character of nationalisation represents the centralising role of this state. Instead of workers control of production it is admitted that the technical intelligentsia has an important role in the organisation of production and the creation of a surplus product for the expansion of industry. It could be argued that the activity of the technical intelligentsia is dictated by the seriousness of the situation, but that it is still subordinated to the imperatives established by the role of the working class within the workplaces. Instead of that situation: “One the one hand, therefore, the technical intelligentsia stands above large sections of the working class, but on the other hand, subordinated to its collective will, which is expressed by the state-economic organization of the proletariat.”(32)

Consequently, the relations of production express the hierarchical subordination of the working class to the technical intelligentsia and the state. The state is the ultimate expression of the aims and character of the economy and the working class is subordinated to these aims. Bukharin would argue that this situation does not represent the generation of surplus value because the conditions for this possibility have been transformed, but it is also questionable whether the construction of genuine socialism is possible because the working class is not in a position to determine that this development is occurring. This situation is expressed by the fact that the state is not an authentic instrument of the interests of the working class, and is instead an organ dominated by the party. Therefore it is questionable that genuine socialism can be built in these circumstances, but the dynamics of capitalism have been replaced by the different imperatives of the state. Hence the very ideas of Bukharin are unintentionally expressing the empirical fact that a deformed workers state is defining the priorities of the economy and society. Bukharin has argued that the state power plus nationalisation equals the development of socialism, but he has to admit that the working class is not the dominant social force in this process. Therefore there is a contradiction between the ideological aim which is socialism and the practice of the economy, which has not resulted in the domination of the working class within the relations of production. Instead Bukharin justifies the role of an elite for defining and organising the development of socialism. His standpoint is unintentionally Hegelian in that he defines the role of the state as a universal instrument that is able to bring about universal emancipation. But the contrasting conception of Marx was that only the working class could bring about universal emancipation. Instead of that reasoning Bukharin subordinates the working class to the imperatives of the state, via the influence of the party, and so undermines the perspective of genuine universal liberation of society and the advance of communism. Bukharin attempts to deny the elitist logic of his standpoint by outlining the importance of the organisations of the working class, such as trade unions and factory committees. But the point is that they act in accordance with the instructions of the state, and it is questionable whether they have genuine independence in relation to their activity and policy. The point is that the party, via the role of the state, is not subordinated to the organs of the working class, such as soviets and trade unions. These organs do not carry out policy and administer the workplaces, and instead are expected to implement the instructions of the state. Only in the last resort is the state accountable to the working class in terms of its aim of realising socialism. The problem is that this aim is understood in terms of the ability of the state to act to bring about socialism. In this context the interests of the working class are defined by the actions of the state, and so the relations of production cannot be genuinely socialist because of the problem of the subordination of the role of the producers to the distinct interests of the state.

It could be argued that the objective situation was not amenable to the development of genuinely democratic socialism because of the extent of the economic dislocation and the cultural limitations of the working class who were not capable of administering and organising industry. Indeed, the assumption is that the role of the technical intelligentsia is required because of their vital importance to the development of the productive forces. But this argument about the limitations of the working class concerning its ability to carry out the functions of the organising of production is not made. Instead the emphasis is on the significance of the state power to establish the possibilities to develop the productive forces. The various mass organisations of the working class, like factory committees, trade unions, and soviets, are considered to be effective in terms of their acceptance of the decisions of the state. Bukharin would argue that there is a form of industrial democracy in this sense, but it is based on the dominating role of the state. This development brings about stability and the possibility to create the conditions to promote the progress of the productive forces: “The rule of the proletariat, in conjunction with its self-education and self-discipline, ensures the possibilities of the labour process, despite colossal objective difficulties. The structural equilibrium is achieved with a new combination of the social and productive human elements and with the subordination of the intelligentsia to the supreme leadership of the proletarian state.”(33) What is being suggested is that the state in the interests of socialism organises the functions of the proletariat within industry in the most efficient manner in order to develop the productive forces. This comment implies that the interests of the state and working class are identical, but what is problematical about this conception is that the issue of genuine working class control over the state is doubtful because of the fact of the domination of the state by the party elite.

Bukharin justifies this situation because he glosses over the issue of the role of the party elite within the state and instead maintains that the organisation of the means of production in order to promote the development of the productive forces is carried out by the relationship of the state to the mass organisations of the working class. Hence he considers these mass organisations as part of the state which directs the development of the economy: “Clearly, with the rearrangement of the relations of supremacy…..once it has taken state power into its own hands, the working class must inevitably gain strength and come to the fore as the organizer of production.”(34) The identity of the state with the role of the working class is how Bukharin considers the participation of the working class in the organisation of the economy, because the state is the crucial aspect in this context. In other words, the participation of the activity of the mass organisations of the working class within the state is the basis of their importance to the direction of the economy. It would be inconceivable to understand the character of the relations of production outside of their relationship to the state, and the involvement of the mass organisations of the working class within the state. Therefore Bukharin would argue that there is a form of industrial democracy because it is based on the organisation of the economy by the state. The economic activity of the working class is inconceivable except in terms of its relationship to the state

The assumption is that there is an inherent identity of interest between the state and the mass organisations. Development of issues of difference would be inconceivable, but this understanding of an identity between the state and the mass organisations is defined in terms of their subordination to the role of the state. Hence what is being prosed is the ‘stateification’ or subordination of the trade unions and other mass organs to the state: “The smallest units of the workers apparatus must be changed into vehicles of a general organizational process, systematically directed and led by the collective intelligence of the working class, which is physically embodied in its highest and all-embracing organization, the state apparatus.”(35) The implicit assumption is that the working class at the level of its own initiative and capacity is unable to promote the levels of organisation that can establish equilibrium and the effective development of the productive forces. This is why Bukharin comments that: “The resumption of the production process was possible only under the rule of the proletariat and that is why its dictatorship is an objective necessity. The stability of the new-born society can only be achieved with the maximum unity, contact and joint action of all the organizing forces. And this is why the general form of an all-workers apparatus…..is equally necessary.”(36) This standpoint is based on the understanding that in a situation of economic collapse the only organisation that could rectify this problem was the role of the workers state. This apparatus was the basis of organisation and the overcoming of the anarchy of production that had been created by the regression in the development of the productive forces. The state represented the highest levels of consciousness and rationality within society and so was equipped to begin to tackle the problems created by the dire economic situation. He would also argue that the involvement of the mass organisations of the working class within the state meant the state was accountable to the interests and aspirations of working people.

The problem with this perspective was that it became the justification of the direction of the working class by the state. The working class could only act in terms of obtaining permission from the state, and it could not establish genuine economic and political independence because its organisations were subordinated to the dictates of the state. If there was a genuine unity of state and society it could be argued that this situation did not undermine the flourishing of authentic popular democracy. Indeed, this was the standpoint of Bukharin. It could also be maintained that the working class did not have the cultural capacity to administer the relations of production, and this was precisely the reason for the importance of the technical intelligentsia. The problem with this viewpoint was that the state deliberately did not allow the development of any form of industrial democracy because it considered only the state could organise the generation of the productive forces. In ideological terms the state was considered to be the personification of collective intelligence and rationality, and so workers control was viewed unfavourably as being the expression of anarchy within the production process. If there was genuine democracy this situation could have been viewed as acceptable in the short-term, because the state would have been accountable to society. But this situation did not develop, and instead the state acquired domination based on the subordination of the mass organisations to its control and instruction. In this context there was no meaningful Soviet democracy and the trade unions were effectively under the tutelage of the state. This situation could have been rectified by the establishment of the democratic independence of the mass organisations of the working class from the state, and this situation could have become the basis for the generation of their influence in relation to the policy of the state. If we accept that the state was the most efficient and rational organiser of production this situation could have been connected to the possibility of popular democracy if the mass organisations were able to genuinely promote their own policy without restrictions by the state. Ultimately policy would become a combination of the activity of the state and the mass organisations. But, effectively, Bukharin could not accept this possibility because he already considered the mass organisations had an influence on the actions of the state. However, he defined this situation in terms of an explicit subordination of the mass organisations to the state, and so this was not a relationship of equals. In this situation the organisations of civil society were dominated by the state.

Bukharin outlined how the relationship of industry and agriculture had been undermined by the demands of the war economy, and so industry was increasingly unable to provide the goods that agriculture needed, and as a result agriculture become a self-sufficient economy. Bukharin is aware that in this situation the tendency is for the middle peasantry to develop a concern with self-sufficient production. The scarcity of agricultural products has also led to inflation and the effective demise of the role of money. Unfortunately, Bukharin does not consider the question of re-establishing equilibrium between town and countryside in terms of the complimentary interests of reviving trade. Instead he contends: “Hence, the dictatorship of the proletariat is inevitably accompanied either by a hidden, or by a more or less open, struggle between the proletariat’s tendency for organization and the tendency of the peasantry towards commodity anarchy.”(37) Consequently, instead of considering the question of relations between the town and countryside in the complimentary terms of the necessity of exchanging food for industrial products, he instead defines the economic issues in the antagonistic terms of the opposition of communism to the forces of capitalist commodity economy, or organisation versus anarchy. This is a completely idealist standpoint because it considers the approach of dogma to be more important than the possibility of a common interest between town and countryside. He cannot contemplate the prospect of united economic action between the peasants and workers because it would imply the possibility for the development of commodity production and exchange, which Bukharin is dogmatically opposed to. He also seems indifferent to the crucial importance of food for the cities and the army, which would imply the necessity for the town to make concessions, or provide incentives for the peasants to trade. Instead of an emphasis on these material requirements, Bukharin defines the issue in terms of capitalism versus communism. He does not seem to recognise that the very peasant revolution, and the related land reform, has undermined the importance of a large scale capitalist farming, and instead produced a self-sufficient peasantry without an immediate incentive to trade.

But incredibly, Bukharin does not enter into discussion of this issue in terms of resolution of the problem by means of establishing what is in common between the working class and the mass of the peasants, which is the restoration of trade, or the exchange of industrial products for food. Consequently, Bukharin can only define relations in terms of the role of coercion: “But the masses in the middle, and in part even the poor peasantry, constantly waver, vacillate, prompted now by hatred of capitalist –landowner exploitation, a hatred which drives them to communism, now by the attitudes of an owner (and consequently in times of famine by the attitude of the speculator too) which drives them to embrace reaction. This latter is expressed in resistance to state grain monopoly, in the yearning for free trade, which is speculation…..in resistance to the system of compulsory labour service and in general to any form of state control over economic anarchy. These stimuli are especially emphasized when the exhausted towns cannot provide any equivalent for the grain and labour service going ‘into the common pool’. Here, therefore, coercion is an absolute common imperative.”(38) Bukharin would argue that coercion is unavoidable because there is no material basis for exchange. But this standpoint seems to be motivated not by the lack of economic capacity of industry and instead by the dogmatic opposition to the role of trade for obtaining food products. In actuality, workers often spontaneously traded goods produced in the factories in order to get items of food. The possibility for economic relations between the workers and peasants was possible, but the state preferred to implement coercion in order to obtain food without exchange. A repressive and exploitative policy which only alienated the peasantry from the aims of the workers state. This unacceptable situation was recognised with the introduction of the New Economic Policy in 1921.

Bukharin would justify his mistaken approach towards the peasantry in terms of the extent of the decline of the productive forces involving the actual physical destruction of the means of production, the physical exhaustion of the working class, and the diversion of limited and scarce resources in order to meet the needs of the Red Army. In order to restore the economy caused by the crisis of capitalism, and the process of revolutionary transformation, it is necessary to promote primitive social accumulation. This involves the universal labour service of workers and peasants. The introduction of planning will enable the organisation of labour in order to develop the productive forces and introduce a modern economy based on electrification and the highest forms of technology. This process will not allow for the role of small scale peasant production: “It will not only promote the transformation of small scattered owners into socialized workers, it will radically rationalize and radically transform the whole process of agricultural production. It will replace primitive, almost barbaric, implements with the last word in technology and thereby destroy the basic imbalance of capitalist production, the imbalance between the development of industry and the development of agriculture which was caused by the existence of ground rent and private ownership of land, and which even before the war had led to an enormous increase in the prices of agricultural produce” (39)

The starting point of Bukharin was realistic, the chronic situation caused by the process of economic collapse and the upheaval of the revolution. But his alternative of primitive socialist accumulation was a perspective for modernisation which glossed over the importance of transitional stages such as the reconciliation of industry with agriculture via the increase of trade. Instead these stages were dogmatically skipped over in the name of communism versus capitalism, and the imperatives of modernisation were considered an acceptable reason to introduce the coercive organisation of labour. This was the meaning of the justification of universal labour service. The compulsory organisation of labour was defined as being progressive because it was based on the aims of the workers state, and so represented an enhanced role of discipline and organisation within the economy. In actuality, the workers were being forced to act in accordance with the instructions of the state. This subordinated role of the working class within the relations of production was justified in the name of the development of the productive forces and technical progress. The aim of modernisation was the reason to uphold the reduction of the working class to being an instrument of the imperatives of the state. Furthermore, the middle peasants were provided with no incentive for their economic activity, and instead they were considered to be nothing more than additional labour for the system of universal labour service. By 1921 the Bolsheviks understood that this system of war communism only alienated the workers and peasants, and so the realities of the economic system led to change. It was impossible to develop production without a system of incentives and rewards, and the aim of promoting communism would have to go through a series of transitional stages. It was not possible to motivate people with the methods of coercion, and instead war communism created the problem of an extreme alienation between the state and the people. In order to uphold the integrity of the workers state, the New Economic Policy had to be introduced.

Bukharin had been one of the most eloquent supporters of war communism. This was because he could recognise the seriousness of the economic situation after the war and revolutionary upheaval. But his policy of war communism was mistaken because it could not provide incentives to promote the development of the productive forces, and the possibility of trade was replaced by the role of coercion. The only alternative was a retreat that meant the state did not become the exploiter of workers and peasants. Such a development indicated that in the last analysis the workers state was responsive and accountable to the interests of the working class. The task of developing the material basis for socialism would have to occur in manner that was more responsive to the aspirations of the workers and peasants. Hence the period of NEP meant an increasing close relationship between the state and the workers and peasants. This situation was ended by Stalin’s change of policy in the period 1928-29.

One of Bukharin’s major arguments in favour of war communism was that because of the collapse of industry it could not provide the material basis for trade with the peasantry. This meant the peasants had a dominant economic position which would encourage speculation because of the inflated price of goods and the ability of the countryside to dictate to industry. But his view was motivated more by ideology than considerations of empirical reality. The very re-development of industry could be started in terms of the production of goods for exchange with the countryside. However, Bukharin seemed to consider that this prospect was unprincipled because of the antagonistic relationship between industry and agriculture. This stance was further reinforced by considering the middle peasants as opponents rather than allies of the Soviet regime. The workers understood the true character of the situation by producing goods for exchange with the peasants. In other words Bukharin understood the necessity of tackling the problem of the seriousness of the economic upheaval created by war, crisis and the revolution. But this meant justifying authoritarian policies based on the wrong assessment of the relationship of the workers and peasants. He conceived of the middle peasants as effectively opponents of the regime rather than allies. The result was the policy of coercion rather than co-operation based on trade. This standpoint was justified in terms of the view that the middle peasants were anachronistic and so opposed to the modernisation of the economy which was connected to the development of collective farming. There was little support for this approach because it justified the compulsory organisation of both the workers and peasants in terms of the coercive objectives of the state. Hence war communism had to be changed in terms of economic relaxation and the retreat of the NEP.

Bukharin outlines the differences between state capitalism and the dictatorship of the proletariat. He contends that the capitalist state becomes the collective subject of state capitalism whilst the proletarian state is the subject of the transitional economy. Apparently similar functions are transformed, and so the universal labour service of state capitalism intensified the exploitation of labour in order to enhance the extraction of surplus value, but a similar type of organisation within the workers state facilitates the self-organisation of labour in order to develop socialism. He concludes: “In the state capitalist structure, all forms of state coercion are a weight which ensures, extends and deepens the process of exploitation, while state coercion under the dictatorship of the proletariat is a method of building communist society. In short, the functional contraposition of formally similar phenomena is wholly predetermined by the functional contraposition of the system of organization, by their contraposed class characteristics.”(40) This apparently outrageous conclusion is based on the view that state capitalism and the workers state have different subjects which define contrasting objectives despite apparently similar mechanisms and functions. What is not recognised is that similar methods will have approximately the same consequences despite the differences of social formation. Coercion within state capitalism and the workers state can only be enforced by means of state repression and forcing the unwilling to carry out unwanted economic tasks. This situation seems logical for state capitalism, which is the intensification of exploitation in order to maximise the effectiveness of the process of the extraction of surplus value. But it would seem questionable whether coercion is an appropriate method for the building of a classless communist society. The only flimsy excuse for coercion is that it is introduced by the workers state in order to generate organisation and rationality in a situation of the regression in the development of the productive forces. However, coercion would seem to be inefficient when compared to the utilisation of voluntary methods for the encouragement of the development of the productive forces. Thus Bukharin would seem to suggest that these voluntary methods are not available in a situation of economic collapse. However, he therefore ignores the fact that coercion can only result in an alienated condition of labour which means that mass discontent will result from the application of the coercive policy of the workers state. The serious economic situation does not actually preclude the utilisation of voluntary methods, such as incentives for the peasants to produce food and the production of items of consumption for the workers. In contrast, coercion is a wasteful utilisation of resources and labour because it results in resentment and the increasing refusal of workers to act in accordance with the economic objectives of the state. Workers will not produce because they lack any incentive and reward for their economic activity. Therefore the most effective manner in which the development of the productive forces can occur is for the workers to be rewarded for their economic activity, and this means that rations should be increased to the highest possible levels. In actuality the application of coercion meant low rations and the connected reluctance of workers to produce under these repressive conditions. It would also have been possible to increase rations if trade with the peasants had been encouraged by the state. Instead the coercive requisition of food led to the lowest level of rations.

Bukharin argues that the dynamic of the socialisation of labour is expressed through nationalisation by the state. This process enhances the ability of the state to organise and plan production. The class character of the workers state means that nationalisation must assume the expression of the interests of socialism and communism. The activity of the state is identified with the role of the working class, and so nationalisation is defined as the increased economic power of social labour. This argument may be justified in formal terms in that the previous influence of anarchic and privately owned factories have been transformed by becoming an expression of state property: “Undoubtedly, since the economic subject of the transition period is the working class – constituting the state power – the basic form of socialization of production will be its stratification or nationalization.”(41) But the question is what is the dynamic content of this development, is it the role of the state, but without active involvement of the workers, or does it represent the interaction of state and working class in the form of industrial democracy? Bukharin seems to have answered this question in terms of socialism meaning the relationship of the state to the process of nationalisation. The question of the importance of the activity of the working class is defined in terms of its identity with the role of the state. Hence the dynamics of industrial democracy is reduced to the process of nationalisation of the economy. This process is considered to be the culmination of the actual development of workers control of the economy which occurred within capitalism and as a conscious protest against the crisis and collapse of capitalism. But the point is that the former development involved the activity of the working class in order to bring about their self-emancipation, and therefore transforming the relations of production by the conscious efforts of their rebellion against state capitalism. Whilst the ultimate result is the nationalisation of the economy by the workers state; this process seemed to have expressed minimal involvement of the working class. However, Bukharin defines this development as the expression of authentic socialism because the activity of the working class as a collective subject is identified with the role of the workers state.

Thus Bukharin is one of the originators of the view that socialism is identical to nationalisation, but he bases his view on the analysis that this development is the ultimate logical expression of the decline of the productive forces because of crisis, war and revolutionary upheaval. Nationalisation by the workers state is one of the most important aspects that encourage the organisation of the economy and development of the productive forces. In the period of the crisis of capitalism factory committees emerge in order to challenge the legitimacy of the ownership of the means of production by the forces of state capitalism. Bukharin is careful to reject the factory committees as the technical organisation of a new equilibrium, and instead they undermine the very possibility of technical control, and the restoration of equilibrium under capitalism is impossible. Instead the role of the factory committees is to undermine the equilibrium of capitalist relations of production in order to create the economic and political conditions for the establishment of a new equilibrium in the future. The assumption is that the industrial democracy established by the factory committees will be temporary and become replaced by something different that is better able to express the principles of organisation and rationality. Thus Bukharin is not contemplating that the factory committees will re-establish equilibrium after the revolution alongside the importance of the establishment of the workers state. Therefore the primary task in this regard is to establish the working class as a ruling class and so create the dictatorship of the proletariat. The collective leadership, and frequent elections that accompany the role of the factory committees, is not considered to be a suitable organisational basis for tackling the economic tasks that need to be resolved if the problem of negative expanded reproduction is to be successfully overcome: “Therefore what is required here….is an unquestioning execution, speed of decision, unity of will and therefore a minimum of discussion and talking, a minimum of boards and a maximum of individual management.”(42) Hence what is required is an organisation that can enforce discipline and regulation of the workers, and this development is established by the formation of the proletarian military dictatorship. The period of effective workers control of production has been superseded by a superior form of rationality which is the centralised workers state.

The continuation of the workers control established in the situation of revolutionary upheaval is not envisaged for the transition period because it does not represent the conditions for a new equilibrium and instead would represent the prospect of chaos. Workers control was necessary in order to undermine the domination of capitalist relations of production but it is not envisaged as being an expression of the logic of rationality and organisation in the transition to communism. Thus whilst workers control could be the answer to the breakdown of authority within the period of rebellion against capitalism, it is not conceived as the expression of socialist relations of production. Instead what is required is to establish the working class as the ruling class because it is state power that represents the possibility to develop rationality within the economy. Workers control was shown to be of temporary usefulness whilst the new equilibrium was established on the basis of the development of the dictatorship of the proletariat. Thus the most appropriate form of organisation for the workplace has become one-man management because this is the basis for maximum efficiency in relation to the tasks of production. This development is called a form of workers control by Bukharin because the managers are elected by the workers organisations. He admits that this situation would not be appropriate for the period of the destruction of the old relations of production – which is when traditional workers control would be necessary – but is instead an expression of the increasing stability of the system under the dictatorship of the proletariat.

Bukharin seems to have rejected the view that industrial democracy has more than a temporary character. The issue of the development of organisation and rationality within production is equated within the role of one man management, and these managers are assisted by the technical intelligentsia. Hence the issues of the subordination of labour to the managers are glossed over, and instead the aim of efficiency is emphasised. There is no conception that the workers would be able to organise the economy more efficiently on the basis of genuine industrial democracy. Instead the assumption is that authentic workers control would be a recipe for chaos, and so contribute to the continued regression of the productive forces. Ultimately this situation is justified in terms of the fact that the proletarian state has decided this policy, and so it must be in the interests of the working class. There is no recognition that one man management may be very unpopular with the workers. Nor there is any understanding that one man management should be temporary because of the unfortunate situation of the subordination of the workers within the relations of production. Instead Bukharin outlines in vague terms that with the realisation of communism there will be no forms of control over people. In other words, the period of the domination of the managers within economic activity may be long and last until the advent of communism!

Bukharin outlines the aspects of the process of abstraction which explain the character of the transition period. He argues that the capitalist system is based on the importance of equilibrium which explains the possibility to produce and consume according to its anarchic laws, and the period of crisis generally temporary and results in the restoration of equilibrium in relation to the revival of industry. In the transition period there has been general economic collapse which puts equilibrium into question. However, the proletarian state is confronted with the task of restoring equilibrium. This task can only be resolved by subordinating the aspects of dis-equilibrium such as the peasant market to the influence of the state. This will take the form of compulsory labour organisation. The irrationality of the expression of the anarchic laws of capitalism has to be transformed by the dynamics of organisation. The problem with this standpoint is that it defines the different parts of the economy in terms of contradictory opposites. The state sector is considered to represent equilibrium and the private sector to express irrationality and dis-organisation. But the situation is more complicated than this outline because the private sector is also the material basis to provide food for society in the form of the peasant farm. Hence the logical answer is not to repress the private sector in the name of restoring equilibrium but instead to establish forms of cooperation, which is the genuine basis to develop levels of production and consumption. Bukharin argues that the stability of the commodity economy is being undermined by its connection to dis-equilibrium which is undermining its ability to generate high levels of production and consumption. The only future for the commodity economy is its subordination to the role of organisation: “Consequently, as the irrationality of the production process disappears, i.e. as a conscious social control mechanism is introduced, in the place of the anarchic element, so commodity is transformed into product and loses its commodity character.”(43) Hence the role of the commodity ends, prices are inflated or are without meaning, wages are replaced by rations and money and profit also become insignificant.

But what Bukharin is describing is not the advance of the conscious social element of the economy and the undermining of capitalism, but instead the seriousness of a situation in which dis-equilibrium influences all aspects of the economy. There is no value and effective prices because goods are scarce, and so money becomes worthless because of the lack of goods to purchase and therefore the only way to establish any economic logic is to impose methods of coercion, which forces workers and peasants to act in accordance with the plans of the state. The collapse of the commodity economy has not been replaced by a superior method of production and exchange, and instead economic dislocation is universal. The actual alternative is to encourage the production of food by the peasants in order to promote trade and the exchange of these commodities for industrial products. Hence the actual generation of a genuine equilibrium requires the production of goods in order that they can be exchanged, or the revival of both the state sector and the market economy is realised. This reasoning was finally acknowledged in 1921. Until that time the only logical policy was that of coercion, which Bukharin justifies. He argues that revolutionary violence, or coercion Is carried out by the proletariat organised as a state power, and the task is the destruction of the old relations of production and the establishment of new ones: “In so far as this political power as ‘concentrated violence’ against the bourgeoisie is itself an economic force, it is the force which severs the capitalist relations of production by putting the proletariat in charge of the material and physical framework of the production and gradually introducing the non-proletarian elements into a system of new socio-production relations. On the other hand, this same ‘concentrated violence’ is turned inward, where it is a factor in the self-organization and compulsory self-discipline of the workers.”(44)

Bukharin does not ask any serious questions about the effectiveness of the state acting to compel society to conform to the tasks established by the state. He does not seem to recognise that this situation is a recipe for mass discontent and dis-obedience in relation to the tasks of the state which are imposed by force. Surely, consent would be a more appropriate method by which to acquire popular support for the aims of the state? Unfortunately, this possibility has been ruled out because of the urgency imposed by a situation of economic dis-equilibrium. He does not seem to understand that the tasks of dis-equilibrium would be more effectively resolved by developing popular support for state policy than by the application of methods of repression. Hence what is neglected by Bukharin is the importance of developing consent in relation to the carrying out of economic tasks by the state, and this omission is connected to the effective denial of the importance of popular democracy and the consultation and participation of the working people in the process of carrying out the task of developing the productive forces. Instead the discipline of work is imposed by the state and this coercive role is imposed on all sections of the population. It could be argued that the situation of civil war means that coercion is unavoidable, but it is considered as an integral part of the state’s economic policy in order to force the bourgeoisie and aristocracy to carry out the aims of the state, but this approach is also applied to the working class. Bukharin justifies this standpoint by suggesting in the most generalised terms that large sections of the working class are shaped and influenced by bourgeois ideology and the commodity economy. Hence they have to be ‘forced to be free’ by the role of the vanguard, which is organised within the state: “But even comparatively broad sections of the working class bear the stamp of the capitalist commodity world. Hence, compulsory discipline is absolutely inevitable, and the less voluntary internal discipline is, i.e., the less revolutionalized a given section or group of the proletariat is, the more strongly its compulsory nature will be felt. Even the proletarian vanguard which is united in the party of the revolution, the communist party, establishes such compulsory self-discipline within its own ranks. It is little felt by many component parts of its vanguard, since it coincides with its inner motivations; but nevertheless it does exist.”(45)

This standpoint completes the arguments in favour of the party state. We have already outlined the reasons why the workers state is the most active factor in the construction of socialism, and this conception is complemented with the view that the party is the personification of class consciousness. The primary role of the vanguard within the state is justified by the assertion that the majority of the working class are influenced by bourgeois ideology, and so would not represent a principled or effective component of the process of the construction of socialism. Instead this section of the working class should obey the dictates of the party state. What is not explained is how this state can be made accountable, and therefore will not become a despotic instrument of an elite. Instead the emphasis of Bukharin is on how the workers should obey the dictates of the state, and he justifies this standpoint in the following manner: “On the other hand, the remaining disorganization, lack of solidarity, individualism, parochial narrow mindedness and the defects of capitalist society are apparent in the form of the failure to understand general proletarian tasks, which are expressed most forcibly in the tasks and demands of the soviet dictatorship, the workers state.”(46)

Possibly the primary limitation of Bukharin’s approach is his justification of the inability of the working class in general to have any influence concerning the policy of the workers state. Instead the personification of the character and interests of the working class is defined by the actions of the state, and so the working class is defined as being motivated by reactionary views if the policies of the state are questioned and opposed. This situation is exacerbated by the lack of democratic interaction between the state as a proletarian military dictatorship and the working people. It is significant that the Soviets are not mentioned as being a popular instrument of the state, and instead the task of the working class is defined as having to obey the coercive dictates of the state. Bukharin tries to justify this situation in the most flimsy manner. He argues that the working class has spontaneous freedom of action in the transition period, but he only outlines what this means in terms of the bourgeois freedom to choose an individual employer. Hence the actual situation is the application of coercion by the workers state: “For this freedom of labour cannot be reconciled with a correctly organized, ‘planned’ economy and distribution of the labour force. Hence a regime of compulsory labour service and state distribution of workers under the dictatorship of the proletariat already shows a high degree of organization and the stability of the proletarian power in general.”(47)

This comment indicates that there is a contradiction between the coercive aims of the state and the spontaneous aspiration of the workers to defend their own conditions of work by means of collective organisation and solidarity. Bukharin tries to denigrate this aspiration by defining it as an expression of bourgeois ideology, but this view is not convincing because the working class can also uphold the interests of socialism by means of its militant actions. It is absolutist and dogmatic to claim that only the workers state can express the interests of the working class. Instead the consciousness, views and practice of the working class represent the possibility to uphold the interests of both their class and socialism, and if necessary to defend these aspirations against the actions of the state. In contrast, Bukharin defends the view that the only possible relationship between state and class is one of compulsion and instruction. He could defend this viewpoint in terms of the dire economic situation and the necessity of coercion in order to ensure that the working class acts in a disciplined manner in order to utilise scarce resources in the most effective manner. But this is not his argument which is based on the understanding that the state is the agency of the transition to socialism and so the working class should accept the compulsion introduced into economic activity. The point is that because of the inability to differentiate the aims of socialism from that of the state, Bukharin’s emphasis is on the working class implementing the policy of the state, and this takes the form of compulsion. He justifies this view in the following manner: “Finally, with respect to the proletariat itself, coercion is a method of organisation established by the working class itself, i.e., a method of compulsory accelerated self-organisation.”(48) This incredible conclusion is possible because the role of the state is identified with that of the working class; this means the introduction of coercion is considered to be an expression of the interests of the proletariat. The fact that the working class has not been consulted about this decision in the form of the activity of Soviet democracy is not important to Bukharin because the character of the socialist regime is expressed by the centralising imperatives of the proletarian military dictatorship.

Coercion is ultimately defended as a method that will generate the classless communist society. The fact that this policy could represent something that is anathema in relation to the potential creation of non-alienated labour; that is able to participate in the realisation of the aims and objectives of production; is not considered by Bukharin. He does not recognise that short-term methods can undermine the possibility of realising the given end. Instead in some mystical dialectical manner coercion will be transformed into its opposite and compulsion will be replaced by the realisation of spontaneity. This justification of immediate policy in terms of long-term objectives does not recognise that the result is the subordination of the working class within the relation of production to the external objectives of the state, and so the connection of the proletariat to a condition of participation in the realisation of its destiny is being undermined by the coercive policies of the state. The working class is not the primary expression of the development of the productive forces and instead the implementation of coercion means that it has to obey the dictates of the state. This means the conditions are being created for the formation of a new ruling class unless the working class is able to establish the accountability of the state and industrial democracy within the economy. The tragedy of the situation is that the party seems to believe that socialism is being advanced because of the identity of this aim with the role of the state. The party state is conceived as the instrument of socialism, and the policy for this advance is defined as being that of nationalisation and coercion.

What is necessary in order to reject this elitist approach is to recognise that the state, even a workers state, can only be an imperfect instrument of the aims of socialism. The state needs to be democratised and based on the genuine expression of Soviet democracy both in theory and practice. Thus the state needs to become a commune state that is able to express the authentic potential of the working class to genuinely administer and govern society. This possibility cannot be realised unless the working class is able to organise and participate in the development of the economy. Hence the role of the party is not to dominate the state and instead to advise the proletariat how it can become the major force in the process of realising socialism. This development will not involve coercion, which also is inappropriate for obtaining the support of other class forces for the task of advancing the aim of socialism. What is necessary is to obtain the consent of other classes like the peasants for the objective of socialism, and this process will involve consent and compromise, such as a limited role for the market and the renewal of trade. Coercion effectively means repression rather than representing a rational response to the problem of disequilibrium and the collapse of the economy. This means the peasantry should not be treated as an opponent of the regime and instead should be considered as a potential ally of the working class and an integral aspect of the process of constructing socialism. In contrast, the application of coercion only results in mass discontent and the alienation of the population from the objectives of socialism. The result was rebellion after the end of the civil war.

However the Bolsheviks still upheld a principled perspective in relation to the continued support for world revolution. Thus they did not consider the formation of the party state in terms of the creation and justification of a nationally oppressive regime, and instead believed that their task was to create a proletarian regime that was part of the process of world revolution. Consequently, Bukharin ended his book with an analysis of the development of world revolution in a situation of the economic collapse of capitalism and the growing rebellion of the international working class. The development of the Soviet state in Russia is considered as an expression of the crisis of world capitalism, and so its success is considered to be a prelude to the formation of a world soviet republic. This perspective is not outlined in terms of voluntarist imagery, and is instead an expression of the development of a coherent economic analysis and its political conclusions. The world economy is dominated by the forces of national state capitalism, and the rivalry of these formations has led to competition that has resulted in world war. This situation has led to the international rebellion of the working class, and a soviet regime has been formed in the country with the lowest development of state capitalism and so is vulnerable to economic dislocation and the prospect of revolutionary change. Hence revolutionary change has initially occurred in a country that is not favourable for transition to socialism, but the dynamics of transformation will ultimately occur in the most developed state capitalist countries and so the formation of a world communist republic will become possible.

This perspective is a principled explanation of the economic situation and development of class struggle between 1918-20, and so seems to represent a plausible analysis that is the basis for strategy and tactics of revolution. But there are important flaws which meant modifications had to be made. Firstly, Bukharin is emphatic that an international economic collapse has occurred. He comments: “The breakdown in the relations of the world economy meant that it fell to pieces and the process of expanded negative reproduction, which ran parallel in the warring countries in these conditions of breakdown, ultimately led to the collapse of the entire system.”(49) It would have been more careful and precise to suggest that the dynamic of expanded negative reproduction led to a tendency towards the collapse of the system. The fact that various war economies were able to regulate production and consumption meant world capitalism could continue despite the generation of the prospect of absolute decline. These war economies like the UK and Germany were able to maintain a minimal level of production which could sustain consumption, admittedly at a lower level than before the war. In this context the limited economic efficiency of these most important war economies could sustain a level of production that upheld popular support for the war. Therefore the process of acute economic dislocation was limited to the most vulnerable state capitalist countries, and this meant revolutionary change was isolated. Bukharin does admit that it was possible to maintain stability in the most advanced state capitalist countries, but this meant his perspective of absolute economic collapse should have been modified. This also meant his political perspectives should have become more cautious. However he does admit in a contradictory fashion that imperialist ideology in the most advanced state capitalist countries is influential. But what is not allowed for is the role of politics which means that the outcome of the class struggle is bound to be uncertain. Instead of accepting this aspect of the situation, Bukharin instead equates economics with politics. The conclusion is that economic collapse does imply the ultimate and inevitable success of world revolution. This aspect of dogmatism implies that strategy is not important in order to promote revolutionary change, which suggests it is inexorable and determined by the economic situation. Such an approach would never be accepted by Lenin and Trotsky who understood the importance of politics. This is why they continuously developed political policies for the Communist International. Instead Bukharin equated the role of economics with politics.

Second, the development of the world revolution takes the following trajectory: “Thus if we examine the revolutionary process on a world scale, we can advance the following general proposition: the world revolutionary process begins with the partial systems of the world economy which are at the lowest level, where the victory of the proletariat is easier but the crystallization of the new relations is harder; the speed with which the revolution advances is inversely proportional to the maturity of the capitalist relations and the height of the model of the revolution.”(50) This standpoint is a decent guide for the understanding of the future development of the world revolution in terms of the influence of the crisis of capitalism upon the intensification of the class struggle. It is logical to conclude that the process of world revolution will follow a pattern based on the most vulnerable state capitalist economies being the first to undergo revolutionary change. But this perspective is also a schema because it does not allow for the importance of politics. For example, the ruling class will conclude from the initial victory of the proletariat that it is necessary to improve the defensive role of the bourgeois state in order to thwart the possibility of future revolutions. If the proletariat does not anticipate the importance of the increased political awareness of the ruling class concerning the prospect of revolutionary change it will be wrong-footed, and its political capacity to realise the transformation of society will be undermined. In other words if the proletariat does not develop its class consciousness concerning the difficulty of emulating the original creation of the first workers state, the result will be defeat of the working class by a ruling class determined to undermine the continued development of the world revolution. In this context, the very complexity of the class struggle will mean the course of world revolution does not follow the trajectory outlined by Bukharin. Instead his perspective should be considered in terms of what is likely to happen rather than adhered to as a rigid schema. What is crucial for the success of an attempt at revolutionary change is the effectiveness of strategy and the level of class consciousness of the proletariat in each individual country. For example, the working class in Germany was de-mobilised because of the strong influence of Social Democracy and its ability to isolate the revolutionary forces. Hence in Germany the result was the defeat of the attempt of proletarian revolution in 1919 and 1923. Consequently the overall effectiveness of the counter-revolutionary role of the ruling class and Social Democracy meant that the potential for world revolution to unravel in the manner described by Bukharin did not happen. Instead the Soviet regime was isolated.

This development meant that politics did not closely follow economics. Bukharin had outlined a plausible conception of world revolution based on the significance of the dynamic of expanding negative reproduction and the vulnerability of the least developed state capitalist countries. But the ruling class of each country was determined not to passively allow this perspective to be realised. The very counter-revolutionary role of the state was important for undermining the realisation of the possibilities for social transformation. Hence the situation of economic collapse meant the situation had objectively matured for the prospect of world revolution, but the actual character of the class struggle did not conform to the situation of the increasing crisis of state capitalism because of the resolute role of the ruling class to stifle the possibility of the dynamics of change following the logic of the acute character of the economic situation.

Furthermore, Bukharin does not flexibly respond to the developments within the class struggle because he considers that the original revolutionary success represents an unstoppable dynamic that cannot be reversed and instead will result in the onset of the formation of a world Soviet republic: “In the first soviet republic, the world proletariat has its own organizations, possessing a maximum of social and material power. Therefore in the midst of the disintegrating system of a world capitalist economy, they inevitably represent new points of crystallization, centres of attraction and proletarian energy and the most important factor in the further decomposition of the capitalist system. The devastation proceeds in leaps and bounds in the capitalist world, despite efforts to breathe new life into it. The productive forces diminish; the relations of production decompose and tear apart.”(50) Hence he refuses to develop a flexible response to complex events in the class struggle because his aim is to maintain the integrity of his schema concerning the world revolutionary process. This means he emphasises, or exaggerates, the dynamism of the isolated Soviet regime and contrasts the economic energy of the first workers state when compared to the decomposition of world capitalism. The economic superiority of the isolated Soviet republic will create a dynamic of emulation, and the generation of world revolution in order to establish societies that can realise economic efficiency instead of decomposition and the disintegration of national economies. Hence he glosses over the fact that the Soviet regime is still unable to overcome the legacy of economic dis-location and so is battling for its own economic survival. This regime may not be an attractive example to emulate.

But Bukharin ignores this objection and instead considers that the inspiring example of the first Soviet regime, combined with world economic crisis, is creating an irreversible process of revolutionary change: “There is no economic equilibrium between the production spheres, and the loss of equilibrium assumes increasing severe forms. There is no socio-economic equilibrium either and the situation heads for a decisive conflict. The political organization, or rather state of the bourgeoisie suffers a crisis, for world imperialism proves incapable of pursuing an absolutely united policy which is homogeneous in all its parts......The anarchic element of capitalist relations on the basis of their destruction creates a characteristic state of uncertainty, which betokens the approaching end. And in the midst of this unravelling world fabric, the growing organizations of the new model appear, offering a fundamental opportunity for development, since here alone is the restoration of social equilibrium possible; organizations which derive additional power from the very decay of the capitalist system; the states of the proletariat with a new system of economic relations, which strengthens as the disintegrating, old, capitalist groups weaken.”(51)

Hence Bukharin outlines a rigid schema which contends that the dynamic character of the Soviet regime accompanies the decline of world capitalism, and so creates momentum for the success of international revolution. But he has not established how this inter-relationship would be realised, and instead in a voluntarist manner he describes how the apparent success of the Soviet regime becomes an expression of the very decomposition of world capitalism and its generation of the process of social transformation. The actual empirical reality was that the isolated Soviet regime is under pressure from the advanced state capitalist countries who have agreed a united policy of intervention in order to try and overthrow the workers state. In this unfavourable situation the Soviet regime is fighting for its survival and so cannot meaningfully contribute to the demise of world capitalism. The actual prospect of the overthrow of the capitalist system depends on the activity of the international working class. But this possibility is being undermined by the reactionary role of Social Democracy. Bukharin seems to ignore these complexities of the actual situation because he reduces his understanding of the objective situation to an expression of the dynamics of organisation and its generation of the decomposition of capitalism. The political result of this binary opposite means that he over-estimates the favourable character of the political situation, and so effectively considers that world revolution is imminent.

He also projects the possible future onto the present when he contends that the unity of the emerging Soviet republics contrasts with the increasing differences of the state capitalist regimes. Hence: “For the proletariat, economic and political unity is a matter of life or death, and since its partial victories (its dictatorships) represent a triumph over the disintegration, this gives rise to the objective need for the unification of the proletarian state systems. With the regeneration of the economic and political fabric of the world economy and the shift of the centre of gravity to the proletarian states and their alliances, the entire picture of the world economy is altered.”(52) But this view can only be a future prediction. The present situation is that of the struggle for survival of the Soviet regime and the necessity to overcome counter-revolutionary intervention. This means the balance of forces actually favours the forces of world imperialism, which are united by their opposition to the isolated workers state. Consequently, the dynamics of organisation versus decomposition is secondary because of the continued domination of the world economy by the most advanced state capitalist regimes. The generation of decomposition, and the intensification of the class struggle, does not presently undermine the hegemony of world capitalism, which is determined to crush the example of an isolated proletarian regime. This means Bukharin's conception that the world dictatorship of the proletariat is being created is presently an expression of wishful thinking, and is not based on a cautious evaluation of the actual balance of forces. But it is a principled aim and represents the standpoint of support for world revolution. Bukharin is aware that a nationally isolated regime cannot achieve victory over the forces of capitalism and so the aim is to create an international system of proletarian states. But he lacks a strategy that would advance the realisation of this aim, and the inadequate substitute for strategy is his economic analysis and its understanding of the collapse of world capitalism. The result of his approach is to gloss over the importance of the balance of class forces, and instead he justifies a triumphalist perspective of the imminent victory of world revolution. This expression of dogmatism means that Lenin was superior in relation to the recognition of the complexities of the struggle for proletarian revolution. (53) But Bukharin has outlined a systematic account of the objective reasons why world revolution was on the agenda. He was to utilise his understanding of the importance of state capitalism in order to modify his optimism in the 1920s, and so became a supporter of socialism in one country.

CONCLUSION

(1)It is necessary instead of a summary of the contents of Bukharin' work to focus on one aspect of his analysis which concerns the supposed transcendence of the categories of political economy by the dynamics of the organising economy. Bukharin's argument is that the condition of dis-equilibrium means that the categories of bourgeois political economy like market, value and price are no longer operative. This is a dogmatic view; it would be more precise to suggest that whilst these categories do not have the same capacity to be expressed in terms of the functioning of the economy, because of the collapse of capitalism, this does not mean they have become superfluous. Instead they have a type of relevance that is an expression of the contradictory character of the transition period. The transition period represents the contradictory interaction of the economic phenomena of the declining expression of capitalism and the emergence of socialism. Capitalism is still present in terms of its subordination to the dynamism of the development of socialism. This means the market is still functional in terms of the production of the peasantry, and therefore this situation should be expressed in the policy of the workers state. The continued, if subordinate, role of the market means that trade should occur in order to obtain food for the cities. To deny the importance of the market in the name of the supposed demise of capitalism and the relevance of bourgeois political economic categories means that economic relation s can only be conducted in terms of the role of coercion. This policy cannot result in the maximum generation of food for the cities and instead can only alienate the peasantry. Hence in a situation where food is scarce, it is necessary to encourage the peasantry to produce agricultural goods by the utilisation of incentives such as generous exchange with the products of industry. Bukharin would argue that this is not possible, but this conclusion is encouraged more by dogma than economic realities.

(2)The standpoint of Bukharin is not based on the support for the development of the self-emancipation of the working class. Instead the workers state expresses the interests and dynamism of the process of the building of socialism. There is no place for industrial democracy or the popular importance of the Soviets. This means the workers state is a party state, and the involvement of the working class is subordinated to the objectives established by this institutional organisation. Hence Marx's aim that the transitional society should be based on the class rule of the proletariat is not realised. However, it could be argued that the unfavourable circumstances of the revolutionary development in Russia meant this objective could not be realised. But this is not Bukharin's view. Instead he considered that the international generation of dis-equilibrium meant the workers state could only take the form of proletarian military dictatorship. In this context the actions of the state did not diverge from the most principled course of action and instead represented the model of how socialism should be constructed. The formation of the party state on the basis of nationalisation was the most acceptable manner in which socialism should be built. In this sense, the approach of the Bolsheviks diverged from Marx's conception of social revolution as the self-emancipation of the working class.

FOOTNOTES:

(1)Istvan Meszaros: Beyond Capital, Merlin Press London, 1995 p898-915

(2)Hal Draper: Karl Marx's Theory of Revolution: Volume Three: The Dictatorship of the Proletariat, Monthly Review Press, New York, 1986

(3)Nikolai Bukharin: The Politics and Economics of the Transition Period, Routledge and Kegan Paul, London 1979 p36

(4) ibid p40

(5) ibid p42

(6)Lenin: Proletarian Revolution and the Renegade Kautsky, Collected Works Volume 28, Progress Publishers, Moscow 1965 p227-326

(7)Bukharin op cit p45

(8) ibid p46

(9) ibid p51

(10) ibid p49-50

(11)Leon Trotsky: Terrorism and Communism, Ann Arbor, University of Michigan, 1972

(12)Bukharin op cit p55

(13) ibid p57

(14) ibid p59

(15) ibid p78

(16)Meszaros op cit p425-427

(17)Bukharin op cit p82

(18) ibid p86

(19) ibid p88

(20) ibid p90-91

(21) ibid p91

(22)Lenin: Left-wing Communism, An Infantile Disorder, Collected Works Volume 31 p17-104

(23) ibid p91

(24) ibid p92

(25) ibid p97-98

(26) ibid p98

(27) ibid p99

(28) ibid p100

(29) ibid p100

(30) ibid p102

(31) ibid p103

(32) ibid p104

(33)Ibid p105

(34))ibid p106

(35) ibid p106

(36) ibid p107

(37) ibid p115

(38) ibid p165

(39) ibid p130

(40) ibid p135

(41) ibid p136

(42) ibid p142

(43)Ibid p154-155

(44) ibid p159

(45) ibid p163

(46) ibid p164

(47) ibid p164

(48) ibid p165

(49) ibid p168

(50) ibid p171

(51) ibid p171-172

(52)Ibid p173-174

(53)Tamas Krausz: Reconstructing Lenin, Monthly Review Press, New York, 2015, 304-310