TED GRANT’S ELABORATION OF THE APPROACH OF TROTSKY’S CONCEPTION OF THE DEGENERATED WORKERS STATE

Ted Grant elaborated his interpretation of Trotsky’s understanding of the character of the Soviet Union in his book: ‘Russia: from revolution to counterrevolution’(Wellred, London 1997) Grant outlines an understanding that the character of the revolutionary process in 1917 in Russia was based on the aspirations and mobilisation of the workers in order to promote the possibility of revolutionary change. The influence of the Bolsheviks would have been insignificant if the dynamics of an authentic process of transformation because of the discontent of the people was not occurring. In this manner it is a crude distortion of the character of the events to define them as the expression of a coup carried out by an elite party. Instead it has to be argued that the role of the Bolshevik party was to interact with the discontent of the people in order to generate the popularity of the aim that the regime of the Provisional government should be overthrown. But Grant makes the point that without the role of a revolutionary party that is connected to the aspirations of the workers the possibility of the transformation of society by the overthrow of the bourgeois government will not occur: “In order that the strength of the working class should cease to be a mere potential and become a reality it has to be organised and concentrated in a single point. This can only be done through a political party with a courageous and far-sighted leadership and a correct programme. The Bolshevik party under the leadership of Lenin and Trotsky was such a party. Basing themselves on the movement of the masses – a magnificent movement that represented all that was alive, progressive and vibrant in Russian society, they gave it a form, purpose and a voice.”(p56) And: “Without the Bolshevik party, without the leadership of Lenin and Trotsky, the Russian workers would never have taken power in 1917, despite all of the heroism.”(p56) Hence the vital aspect of the role of the party in the process of proletarian revolution implies that it has a principled strategy that is able to generate the development of the ability of the workers to be able to overthrow the bourgeois regime. This means that any opportunist degeneration of the principled character of the party would mean that it becomes either an opponent of the process of revolutionary change, or else attempts to establish its domination over the working class in the society that has been established by the process of change. In other words, if the party was to remain true to its revolutionary objectives it would aim to enhance the ability of the workers to be able to define the character of society in terms of the dynamism of their self-activity and generation of the potential to realise a type of society based on the aspirations of the people. Therefore, the role of the party was to promote the potential of the workers to develop their capacity to be able to change and define the purposes of society. This creative interaction of the party and the class was recognised in terms of the dynamism of the revolutionary process of change, but such an approach was not systematically indicated for the period after the revolution, except in terms of the vague description of the administration and organisation of the post-revolutionary society in Lenin’s work: State and Revolution’. But the problem with this work is that whilst it outlined the possibility for the people to be able to organise the economy, the important role of the role of the revolutionary party in this process was not articulated. This question became important because after the success of the overthrow of the bourgeois regime, the manifestation of the role of Soviet power was expressed in terms of the domination of the Bolshevik party. From the beginning of the success of the revolutionary process it seemed that the most efficient and effective expression of the political character of the dictatorship of the proletariat was in terms of the mediation of the hegemony of the working class in terms of the primacy of the role of the party that considered that it had an exclusive right to speak on behalf of the people. Grant tries to deny the importance of these contradictions because he considers that the success of the revolutionary process led to the formation of a nationwide form of the role of Soviet organisations, to which its central executive committee was accountable. But this was a standpoint that did not recognise that the local organisations of the Soviets were effectively subordinated to the central organ which was dominated by the leadership of the Bolshevik party. From the beginning of the realisation of the revolutionary process the party acted on behalf of the workers. The possibility to establish a more democratic form of accountability of the party to the aspirations of the working class was not realised. It could be argued that this development was inevitable because of the cultural immaturity of the workers and their related inability to be able to establish the organisation of the economy and society. But in actual fact the workers often acted to try and develop forms of economic control of the process of production and this was connected to the aspiration for the realisation of political democracy.

In this context the problem was that the most plausible expression of the role of democracy seemed to be represented by the role of the Constituent Assembly. Grant seems to suggest that it was right to dissolve the Constituent Assembly because it expressed the reactionary views of the right wing of the Social Revolutionary party, who were based on the interests of the landowners. In contrast: “At the time of the October revolution, the Soviets of Workers and Soldiers deputies represented all that was alive and dynamic in Russian society. The working class voted for the Bolsheviks in the soviets, which were more democratic than any parliament.”p62) Thus it is being suggested that it was right to dissolve the Constituent Assembly because it was an expression of the interests of bourgeois democracy and so was a rival political institution that could have undermined the political legitimacy of the Soviets. But in fact, the Constituent Assembly was an important articulation of the interests of the peasants, and so its role could have been an indication of the aspirations of an important section of society. Furthermore, the dissolving of the Constituent Assembly did not in any manner strengthen the role of the Soviets, but instead only contributed to the unaccountable power of the role of the Bolshevik party. The Constituent Assembly could have had an important role in the process of establishing the democratic accountability of the role of the central executive committee of the Soviets. In this context its role would have had been to undermine the political supremacy of the Soviets, but instead would have been an important expression of the role of democracy within society. This situation would not have meant that the supreme role of the Soviets was being challenged. It was important to retain the political supremacy of the Soviets because they were able to articulate the interests of the workers and in that manner uphold the revolutionary aims of the process of trying to realise socialism. But in a secondary role it was necessary to maintain the role of the Constituent Assembly because it could indicate the views of society in general, and the aims of the peasants in particular. In this manner it was possible to establish a process of interaction between the Soviets and Constituent Assembly. The important role of the latter need not undermine the supreme importance of the former, and instead the Constituent Assembly could have provided the ultimate legitimation of the role of the Soviets. But before such a development could occur the Constituent Assembly was dissolved because of its apparent relation to the reactionary aims of bourgeois democracy. But this aspect was secondary in relation to its character. Instead it primarily expressed the aspirations of the peasants, who became deprived of any political voice in the new revolutionary society. This development could only undermine the promotion of the role of democracy in terms of its possible connection the attempt to express the aims socialism. The point is that it would have been the responsibility of the Soviet government to propose measures of legislation for the Constituent Assembly to consider. If they had refused these measures it would indicate that they upheld the interests of the landowners before that of the peasants. In this sense the role of the Constituent Assembly would have been discredited in practice. But before these issues could become relevant, the Soviet government acted to dissolve the Constituent Assembly. Such a bureaucratic measure was an indication that they did not want the democratic possibilities of the Constituent Assembly to be considered in terms of its reaction to the practical measures of the Soviets. Instead the Soviet government could only discredit itself by the repressive policy being promoted in terms of the dissolving of the Constituent Assembly. The democratic legitimacy of the Soviets was not enhanced by these measures. Instead it seemed to justify the promotion of the role of an authoritarian government.

Ted Grant argues in favour of the dissolution of the Constituent Assembly in terms of the superior merits of proletarian democracy as opposed to the limitations of what is being defined as an expression of bourgeois democracy. But the result of the application of this form of dogmatic logic is the denial of the political expression of the views of the peasants, which means that the outcome of this situation could be the undermining of the possibility to promote the role of the worker-peasant alliance. The problem with the dissolving of the Constituent Assembly is that the only genuine expression of the role of democracy is defined by the activity of the Soviets, which only expresses the interests and aspirations of the workers. Therefore, the peasants are being denied their ability to be able to express a political opinion because of the dissolving of the Constituent Assembly. Furthermore, the result of this situation is the enhancement of the process of the creation of a one-party regime because the Bolsheviks have effective control of the expression of the role of Soviet democracy. In this context the outcome of this development is that the character of political power becomes defined by the control of the Soviet executive by the Bolshevik party elite. But if elections to the Constituent Assembly had been allowed to be considered valid, there would have been the expression of two competing forms of democracy. This situation would not have undermined the role of the Soviets because the influence of the Constituent Assembly on the deliberations of the Soviet would have represented the interests of the peasants, and so in this manner there would have been an interaction between the organ of proletarian democracy and the organ of peasant democracy. Such a development would have meant the Social Revolutionary party would have had to uphold the interests of the peasants if it was to continue to obtain their popular support. But by dissolving the Constituent Assembly ensured that the Social Revolutionary party became adherents of the counterrevolutionary opposition to the hegemony of the Soviets. In this context the Social revolutionary organisation recognised that it could not uphold its aims by the constitutional means of the role of the Constituent Assembly. Instead it could only promote its aspirations in terms of support for the counterrevolution. The result of this development was not the development of the flourishing of Soviet democracy, but instead the ability of the Soviets to operate was undermined by the requirements of the civil war situation. This meant that the Soviets became the expression of an authoritarian type of government for the purpose of carrying out the functions of the civil war. Such a situation of polarisation could have been overcome if the Soviet administration had accepted the results of the elections to the Constituent Assembly, and as a result proposed political measures for the cooperation of the two institutions. With such a development the possibility of civil war may have been avoided, or at least the forces of counterrevolution may have been isolated and had less support. In other words, there were adverse results to the view that the Soviets, as the expression of proletarian democracy, were absolutely opposed to the bourgeois democratic character of the Constituent Assembly. Instead the popular basis of the Soviet regime could have been enhanced in terms of the promotion of a policy of an attempt to reconcile its role with that of the Constituent Assembly. In this situation the functioning of two forms of democracy in an inter-related manner may have overcome the possibility of the political polarisation that led to civil war and the related development of an increasingly authoritarian form of government. This view implies that the character and functioning of the Soviets and Constituent Assembly was not absolutely opposed, and that instead a situation of their constructive relationship could have occurred. In this manner the popular and democratic character of the revolutionary regime would have been enhanced. Such a possibility could only have consolidated the political power and prestige of the Soviet administration. But by dissolving the Constituent Assembly meant that the prospects of civil war became inevitable, and this meant that the situation was characterised by political polarisation, economic hardship and increasing difficulties in obtaining the support of the peasants for the Soviet regime. Grant contends that land reform led to the support of the peasants for the Soviet government. This point is partially true, but such a measure would have been reinforced by the possibility of cooperation between the Soviets and the Constituent Assembly. But the undermining of an important form of democracy could only narrow the social basis of the Soviet regime.

Grant argues that the village soviets was more relevant to the interests and aspirations of the peasants to carry out land reform than the Constituent Assembly, which seemed to be a remote institution. This point may be credible, but it does not address the fact that with the dissolving of the Constituent Assembly the result of this situation was to create the absolute power of the executive committee of the central Soviet. In this context it is questionable whether the possibility to establish the democratic role of the Soviets could be realised in an effective and principled manner. Grant is suggesting that the activity of the Soviets was the basis to establish the interests of the peasants, because it was these organisations which carried out land reform. This point is correct, but it is not a reason to support the dissolving of the Constituent Assembly. Instead it would be more politically effective to allow the Constituent Assembly to function in order to test in practice its attitude to the process of land reform. Was it an organisation that would support or oppose land reform? But this issue was never put to the test because of the dissolving of the Constituent Assembly, which meant that the party of the peasants, the Social Revolutionaries were denied the possibility of acting in responsible political terms. Instead the actions of the central soviet committee meant that they created a situation in which the Social Revolutionaries would be inclined to support the forces of counterrevolution because of this denial of the possibility of having a political voice within the Soviet system. In other words, the dissolving of the Constituent Assembly meant that the result was the effective formation of a one- party system. This could only establish authoritarian tendencies. To some extent this development was delayed by the ability of the Soviets to carry out land reform and to promote the possibility of the workers to be able to control the organisation of the factories. But these progressive economic measures could not fully compensate for the actions that had been taken that led to the result of the undermining of the importance of forms of political democracy. The result of this situation was the facilitating of the possibility to establish a more authoritarian system. What is being suggested is that the role of the Constituent Assembly would not undermine the effectiveness of the actions of the Soviet because the influence of democratic accountability in relation to the role of the Soviets would make it an organisation that was truly responsive to the interests of the workers and peasants. It would not be in the interests of the Soviets to act against the aspirations of the workers and peasants if the Constituent Assembly was able to comment and make suggestions about the policies of the Soviets. Instead this role of democratic scrutiny would make the Soviets determined to act in a manner that would most effectively correspond to the interests of the workers. In this manner the legitimacy of the Soviets would be upheld, and they would be able to respond to the influence of the Constituent Assembly in this progressive manner. But the dissolving of the Constituent Assembly meant that a type of democracy was being repressed, and so the exclusive authority became the Soviets, but in practice this meant that the absolute political powers was with the central executive committee of the Soviets. This situation meant the expression of the one-party rule of the Bolsheviks. Such an authoritarian development could only have been opposed by allowing the Constituent Assembly to function. In this context the interaction of the role of the Soviets and the Constituent Assembly would have expressed the importance of a political form of society that was based on the principles of multi-party democracy. In this situation the Bolsheviks would have acted to ensure that their measures had the popular support of both the Soviets and Constituent Assembly. The constructive result of this situation would have been the genuine influence of the role of democracy in the actions of the Soviets and its government. In contrast Grant supports the dissolving of the Constituent Assembly because it would have ignored the interests of the peasants. But this point could never be confirmed because of the very fact that the Constituent Assembly was dissolved before it could function. Instead it would have been more effective to prove in practice whether the Constituent Assembly was capable of responding to the aspirations of the peasants, or whether instead it could only express the interests of the landowners.

Grant seems to reject these views and contends that only the Soviets could express the interests of the workers and peasants in a consistent manner. This viewpoint is generally correct, but it does not represent an effective argument as to why the Constituent Assembly should not have been allowed to function. Instead what is suggested is that it would have been an important role of the Soviets to question the policies of the Constituent Assembly and to continually provide progressive alternatives to the views of the former institution. Indeed, in this context, the Soviets would be able to indicate in practice that it was superior to the proposed policies of the Constituent Assembly which would be related to the reactionary influence of the landowners and bourgeoisie. Such a situation would prove to the people why they should increase the influence and role of the Bolsheviks in any forthcoming elections to the Constituent Assembly. Hence the reactionary activity of the Constituent Assembly could only undermine rather than enhance the influence of the counterrevolutionary forces, and so this situation could only contribute to the generation of the popularity of the Bolsheviks. But one of the most important reasons for allowing the Constituent Assembly to function was that it would have challenged the inclination of reactionary forces to embark on civil war. The dissolving of the Constituent Assembly meant that the possibility of civil war became certain. It was vital that there be a peaceful situation in order to stabilise the economic and political situation and so enable the Bolsheviks to consolidate the role of the Soviet regime. But dissolving the Constituent Assembly could only polarise the political situation and so ensure that civil war became an inevitability. It could be argued that civil war would have occurred even if the Constituent Assembly had been allowed to function. This was indeed a possibility, but the point is that the reactionary forces would not have had any tenable political justification and so would have been isolated and unlikely to pose an effective challenge to the Soviet system. But by dissolving the Constituent Assembly meant that a credible pretext was provided to the reactionary forces to start civil war. Therefore, politically the Soviets could only have benefitted by allowing the Constituent Assembly to function. Grant rejects this view because he suggests that the bourgeoisie in Russia was anti-democratic and was willing t engage in civil war in order to overthrow the Soviet regime. This point is undoubtedly true, but the point is that if the Constituent Assembly had been allowed to function there would have been no credible justification for the development of civil war by reactionary forces. Instead the counterrevolutionary forces would have been isolated, and this situation would have undermined their ability to embark on a civil war. They required the justification of the dissolution of the Constituent Assembly in order to provide the flimsy excuse to uphold the aim of the overthrow of the Bolshevik regime by the means of civil war. It is true as Grant suggests that the actions of the landowners in the civil war led the peasants to generally support the Soviet regime, but the point is that it may have been possible to avoid the civil war itself if the Constituent Assembly had been allowed to function. In this context the forces of counterrevolution would not have had any reasonable political justification for their action, and so would have been isolated immediately which would have ensured a quick defeat. The point is not that civil war could have been avoidable if the Constituent Assembly had been allowed to function, but rather that the forces of reaction would have been even more isolated and likely to be defeated in a shorter period of time. The point that is important in this context was that it was vital to isolate the most intransigent forces of counterrevolution in this situation by allowing the Constituent Assembly to function alongside the role of the Soviets. Such a development would have created an effective majority of the population in favour of the interests of the revolutionary process. But by dissolving the Constituent Assembly created a political polarisation that could only encourage the opposition of the forces of counterrevolution.

Grant outlines how the isolation of the Soviet regime, combined with the adverse effects of the civil war, produced an adverse situation which undermined any possibility to advance the aims of the development of socialism based on the advance of the productive forces and the role of economic democracy. But what he omits to mention is that this situation also led to a process of ideological regression in the Bolsheviks that resulted in the illusion that it could be possible to develop the basis for socialism via the harsh measures of war communism. The effective abolition of the role of money because of the chaotic economic situation was not considered as an expression of a situation of economic regression and instead was considered in the illusory terms of the possibility to make advances to the creation of a moneyless form of economy. These illusions were ended by the development of discontent within society that culminated in the Kronstadt rebellion of 1921. The Bolsheviks realised the necessity to obtain food for the cities which could only be obtained by ending war communism and making concessions to the peasants in allowing the role of the market and the process of trade. Grant considers that the introduction of the New Economic Policy could only be considered to be temporary because it represented an economic retreat in relation to the aims of socialism, and which should be ended at the first opportunity: “The NEP had provided a breathing space, but the market had brought increasing social differentiation in its wake. This retreat was completely justified, with increasing production as a consequence, but it also gave rise to restorationist dangers with the enrichment of those hostile to socialism in town and country. The growth of the nascent bourgeois elements – the NEP men and kulaks – were a by-product of this new policy. Alongside the re-emergence of class divisions, the rising bureaucracy in state and party began to flex its muscles, hoping to consolidate and extend its position and influence. Under these conditions, the growth of these alien class and bureaucratic elements represented a mortal danger to the revolution. Out of the continued isolation of the workers state arose the threat of internal bureaucratic degeneration.”(p92) The problem with this view is that it implies that all economic and social policies had to be ad hoc and temporary because of the adverse circumstances in which they were formulated until the success of international revolution. Only under these more favourable conditions could a more effective policy for the construction of socialism could be developed. This standpoint implied that the concessions made to the peasantry were of a temporary character, and so such measures would be repudiated under more favourable economic circumstances, a situation that would be created by the advance of international revolution. Hence there was nothing credible or necessary about allowing the peasants to engage in trade of their products, instead such a situation could only be defined as a concession to capitalism which had to be rejected at the first opportunity. But this perspective seemed to deny the importance of the peasants for the success of the economy of what had become the Soviet Union. Lenin tried to resolve this issue by his emphasis on the importance of an economic retreat in relation to the New Economic Policy, but this standpoint did not resolve the apparent lack of a strategic content to the role of the NEP and the ultimate necessity to supersede it with a more principled and effective approach in relation to the task of building socialism. Therefore, the question of what would replace the NEP was likely to become the most important task for the Bolsheviks, alongside the promotion of international revolution which would represent the ultimate basis to advance the possibility of socialism in the USSR. However, Bukharin seemed to have resolved the tensions in Lenin’s evaluation of the apparently temporary role of the NEP by arguing that it would express the economic and political basis to build socialism in the USSR. It would be possible to obtain the support of the peasants for the aim of socialism if they could be provided with cheap industrial goods, but the unresolved issue was how could this aim be realised if the conditions appeared unfavourable for the process of industrialisation. Therefore, Lenin’s conception of the role of the NEP seemed to be an immediate economic approach that was able to resolve immediate issues of how to obtain food for the cities, but it was unable to establish a certain basis for the economic advance of the USSR that would be able to resolve the continued uncertain relations between city and countryside. The ultimate authoritarian answer to these questions by Stalin would also resolve the issue as to the character of the Soviet social formation.

In other words, if the Bolsheviks could develop an economic approach that was based on a policy of a genuine alliance between the workers and peasants, because of an ability to realise the aim of mutual interest, it would not be necessity to impose the coercion of the state. Instead the ability to realise the economic interests of the workers and peasants by the role of successful trade would mean that it would become possible for the processes of political democracy to flourish. In this manner the success of the NEP meant that the construction of a workers-peasant alliance did occur in at least limited terms. The result of this situation meant that the peasants accepted the domination of the Soviet state as being a political form of society that was able in some sense to realise their interests. The result of this situation was that the rule of the workers state was being stabilised, and so the conception of the NEP as an emergency measure or retreat was being modified in terms of the apparent relationship of the NEP to what seemed to be the creation of the basis to develop aspects of a socialist society. However, the problem was that these progressive aspects were combined with the increasing importance of the role of the party elite under the leadership of Stalin. They justified their domination of society in terms of the reactionary theory of socialism in one country, and so effectively rejected the importance of the promotion of the role of international revolution. In this manner the principled approach of Lenin was being rejected because he considered that the role of NEP was an integral aspect for the furtherance of the world revolution because the stabilisation of the Soviet regime would enable this perspective to be advanced. Instead the NEP became the justification of the nationalist degeneration of the objectives of the party elite. But this development did not mean that there was something inherently unprincipled about the NEP. There was nothing opportunist about the NEP which implied that it should be replaced by a more principled economic approach. Instead it was necessary to outline the measures by which the NEP could become related to the objective of world revolution. This was expressed by the formulation that the success of the NEP would stabilise the Soviet regime and so enhance its ability to act in terms of the interests of world revolution. But instead of adopting this approach, Trotsky implied that the NEP should be replaced by a policy of an emphasis on industrialisation and Stalin and Bukharin adopted an empirical justification of opportunist politics that undermined the realisation of the success of the aim of international revolution. In both instances the connection of the NEP to the development of the international class struggle was not adopted. Hence the approach of Lenin in 1921 was not consistently adopted by his successors. Lenin recognised that there was a connection between the consolidation of the worker-peasant alliance in terms of the role of the NEP and the promotion of the aim of world revolution. The stabilisation of the Soviet regime in terms of NEP would create the internal stability that would enable the Soviet state to be able to advance the aim of international revolution in a more effective manner. But this approach was not understood in a convincing manner by either Trotsky, Bukharin or Stalin. Instead Trotsky was for the drastic modification of the NEP in terms of an untenable policy of more rapid industrialisation, whilst Bukharin and Stalin justified the NEP in the opportunist terms of upholding the standpoint of building socialism in one country. With these one-sided approaches it was not possible to connect the role of the NEP with that of international revolution in the manner envisaged by Lenin. The point being made is that the NEP was not merely the expression of the expedient necessity of a retreat as suggested by Grant, instead it was a tactic within the context of the promotion of the aims of international revolution. The very consolidation of the worker-peasant alliance in terms of the success of the NEP would enable the Soviet regime to promote the aims of world revolution in a more effective manner. This is the conception that was not sadly understood by Trotsky, or his follower, Ted Grant.

Grant outlines how to Marx and Engels the possibility and feasibility for the realisation of the communist society is based on the development of the productive forces. But the important question that occurred in the period after the realisation of the Soviet regime in the USSR was how to generate the process of economic development in a manner that was compatible with the character and aims of socialism. An important aspect of this perspective was effectively rejected in terms of the role of the economic democracy of the producers. This aspect became considered to be impractical and instead it had to be mediated in terms of the role of one-man management and the advice of the trade union representatives in the production process. The result of this situation was that the character of socialist production became defined in terms of the role of state planning of a nationalised economy. But how was this aspect to be reconciled with the continuation of the private ownership of agriculture by the peasants who developed production in terms of the role of their small economic units. This tension was not resolved in terms of the connection of the interests of agriculture and the role of the peasants with the aims of industrial development. Industry was not orientated to the production of agricultural goods that could result in the enhancement of the productivity of private farming. Instead the peasants produced food, but they were unable to obtain sufficient industrial goods which could improve the efficiency of their economic activity. This situation meant that the economy should have become orientated to the interests of the peasant and as a result created incentives for the development of the productivity of farming in terms of a genuine exchange of the products of industry with those of agriculture. But instead Trotsky and Bukharin had a one-sided approach that was unable to resolve this problem, Trotsky emphasised the development of industry but seemed to neglect the requirements of agriculture, whilst Bukharin made the opposite error and recognised the importance of the aspirations of the peasants whilst apparently having nothing to say about the requirements of industry. The result of this one-sided approach was that of the scissors crisis, which meant that scarce industrial goods were offered in exchange for food when the situation required that plentiful supplies of the former enabled an incentive to the peasants to produce cheap food for the cities. In other words, the problem was that the planners did not recognise that the immediate character of the economy should have been based on the realisation of the common interests of the peasants and the workers. Instead of this development, the introduction of the New Economic Policy meant that the peasants were exploited by merchants who bought their goods at cheap prices in order to sell them at expensive prices, which meant the state attempted to lower the prices of agricultural goods. It was not properly recognised that the problem was that of the control of the process of exchange by the merchant. What was necessary was for the state to establish control of the process of distribution in order to establish a system of exchange that would realise the interests of agriculture and that of industry and the people of the cities. Instead the influence of the trader meant that they were able to dictate the character of economic relations, and as a result undermine the realisation of the aims of the development of the possibility of a viable form of economy with socialist objectives. This aspect was the actual flaw of the character of the role of the NEP. But the resolution of this issue did not mean the end of the role of the NEP but instead its modification in terms of the approach being suggested. It was necessary to offer the peasants high enough prices for their goods that would be an incentive to production, and it was vital to also ensure that the character of industry was based on the production of cheap but efficient goods for the requirements of agriculture in order to enhance the productivity of agriculture so that it would be possible to provide cheaper food items to the city that still expressed the ability of the producers to make a profit. But this strategic aspect was not recognised by the adherents of the role of the NEP who considered it to be an ad hoc measure that would be of an temporary nature until it could be replaced by more efficient and productive measures in order to enhance the ability of the economy to create the material basis of the possibility to advance the aim of socialism. What was not understood was that in the type of economy of the Soviet Union it would be vital to develop an economy based primarily on the realisation of the interests of the peasants. This meant primarily ending the influence of the private trader over the process of distribution and so creating a situation in which the peasant would receive the full proceeds of their labour in terms of the process of exchange with the state. But instead of recognition of this aspect, the kulak, or the rich peasant was blamed for this situation. Hence the ultimate aim became to undermine the power of the kulak in order to advance the socialist objectives of economic development. But the role of the kulak was vastly over-exaggerated and instead the issue was to establish a process of systematic exchange between the city and countryside without the mediation of the exploitative role of the middleman. Such aspects were not properly understood by Lenin because of his conception of the NEP as a retreat and an expedient measure that would be superseded by more superior forms of approach in relation to the construction of socialism. Thus, Bukharin was right to interpret Lenin in terms of the perspective that the role of the NEP was the basis to advance socialism, but he still did not recognise the necessity to end the important influence of the private trader. Hence his conception of the NEP failed to tackle the problem of the influence of the process of private forms of distribution which could dictate to and so undermine the aim of the development of industry. This situation was because the expensive price of agricultural goods meant that industry has to have a level of prices for its goods which is also of a high level in order to be able to obtain sufficient profits as a result of the process of adverse conditions of exchange. Therefore, the limitations of the approach of Bukharin, and of Trotsky who called for industrialisation without addressing the concerns of the peasants, was because of this failure to connect the role of the NEP with the necessity to end the adverse role of the private trader. This was an issue that Lenin recognised as being of importance, but which seemed to have been obscured by the controversies of the mid 1920’s. Therefore, the conception of the NEP was either effectively rejected as being of strategic importance because it did not address the issue of industrial development, the approach of Trotsky, or else it was conceived in idealistic terms that failed to recognise its tensions and contradictions. The result of these theoretical limitations was that a conception of NEP that could promote the interaction of the role of the city and countryside in effective terms was not recognised, and instead the emphasis was on the apparent limitations of the role of either industry or agriculture. These aspects of theoretical one-sidedness meant that the actual importance of the interaction of industry and agriculture was not recognised. It was important to provide the peasants with high prices in order to encourage the production of food and to provide an incentive for them to buy the goods of industry, but this also meant that industry should create the goods required by the peasants. Such a development would mean that industrial goods would have to be of a high quality and cheap enough to obtain the willingness of the peasants to buy them. Therefore, the economy would have to be based on the process of genuine interaction of industry and agriculture, and in this context the emphasis of Bukharin on the interests of the kulak, or Trotsky on the tempo of industrialisation, was irrelevant. This meant that a polarised debate about the character and objectives of the economy developed in the mid 1920’s that did not coherently recognise the relation of the NEP to the objectives of socialism. Indeed, this debate was made unprincipled by Bukharin’s emphasis on the possibility of creating socialism in one country, and by Trotsky’s alternative one-sided approach of the importance of industrialisation and his apparent indifference to the interests of the peasant economy. What should have been acknowledged was the connection of the role of the NEP as the basis to promote the development of socialism in order to create a strong society that would be able to encourage the advance of international revolution. Such a standpoint should have recognised the connection of the progress of the peasant economy to the objectives of socialism in a more coherent manner. But instead of this understanding there was an emphasis on the importance of industrialisation almost in self-sufficient terms. What did not seem to be recognised was the relation of agriculture to the possibility to generate the progress of the industrial economy. In this sense, his approach should also have expressed in more detailed terms the importance of the worker-peasant economy.

How does Ted Grant define the character of socialism as a result of the role of the policies of the early Bolsheviks? He comments: “Thus the new state assumes a dual character: socialist in so far as it defends nationalised property relations, and bourgeois insofar as the distribution od goods and services is carried out by capitalist methods of wage labour. However, by using bourgeois methods of distribution, the productive forces will be propelled forward and will serve socialist objectives in the last analysis. Nevertheless, as Lenin points out, the exploitation of man by man will have become impossible because the means of production will remain social property. This fact alone cannot remove the defects of distribution and the inequality of bourgeois law. The immediate abolition of capitalism does not provide the material basis for an immediate classless society. It is a means to an end. The state itself – although a semi-state – sees its role as to safeguard this bourgeois law, which still sanctifies a certain inequality in society. With the further development of the productive forces and the attainment of communism, the state and the other vestiges of capitalism disappear.”(p99-100) The plausibility of this comment is undermined by its formal character and the dogmatic insistence on the correctness of its principles. What has to be recognised is that the socialist aspects of the economy are not automatically dependent on the role of nationalised property and instead depend on the success and importance of the development of forms of economic democracy. The extent to which the producers are able to define the objectives of the process of activity within the economy is an essential aspect of whether it is credible to consider that the realisation of socialism is making effective progress. If economic democracy is lacking it could be suggested that the character of nationalisation is being defined by the role of state bureaucrats who are able to establish a plan of production in terms of their own objectives and without any reference to the interests and aspirations of the workers. The result of this situation could be the extraction of a surplus from the producers by the state in terms of interests which have nothing to do with the aspirations to realise a genuine socialist society. Indeed, in this context, the character of the norms of distribution would be defined by the role of production. Inequality in the process of distribution would be an expression of the domination of the economy by the party elite. Hence, we can suggest that there was always an important problem in developing a socialist type of economy in the USSR. The dynamic role of the working class had been undermined by the demands of civil war and the necessity to promote administrators from the ranks of the workers into the state apparatus. It was difficult to establish the possibility of economic democracy under these conditions. Furthermore, the task of the development of the productive forces meant that the imperatives imposed by the requirements of state planning became more important than the aspirations to develop economic democracy. Thus, the character of the nationalised economy was always defined by the importance of the objectives established by the party elite and was not the expression of the role of the generation of the aims of socialism. In this context the socialist potential of the economy was reduced to the continuing revolutionary political objectives of the Bolshevik party, but this aspect could not be defined in terms of the actual character of economic activity. Therefore, the bourgeois norms of distribution were an expression of the bureaucratic character of the economy, and the fact that the workers were not able to exercise effective forms of economic democracy. Grant contends that in the situation of the low level of the productive forces there could develop a bureaucratic state that would not be accountable to the working class, but in actuality this possibility was because of the failure to develop effective forms of economic democracy. The centralised and elitist character of the state was because of the situation in which the party elite was also able to dictate the character of the economy in terms that increasingly expressed its self-interest. The result of this development was the interaction of the process of economic and political power in terms that meant an unaccountable bureaucracy dictated the character of social activity. Hence the reform of the state as proposed by Lenin would not be sufficient to undermine this development. Indeed, the question of the accountability of the state to the people had to be based on the promotion of the role of economic and political democracy. But these aspects were rejected by the Bolsheviks because of their substitutionist perspective that the parry should rule on behalf of the workers. The workers were considered to be both culturally immature and politically weak to be able to establish the capacity to define the character of the objectives of socialism in their own terms. This aspect could be credible as long as the party did not degenerate and so was sufficiently principled to be able to administer society in the interests of the workers. Indeed, it could be argued that this was the situation under the leadership of Lenin, but without Lenin the party elite increasingly acquired its own objectives and so its domination of the economy and society acquired reactionary objectives. Grant outlines how under the regime of Lenin, the party elite acted in an austere manner, and on the basis of the interests of society, but this situation could only be temporary. Ultimately the issue would become that of the accountability of the party to the workers. The fact that the party had unaccountable forms of power could become transformed into absolute power in which the situation of domination would become established in the systematic terms of the creation of a new type of economic and political supremacy of a new ruling class. It would only be possible to resolve these issues in a progressive manner by the realisation of the genuine accountability of the party to the working class in terms of establishing genuine economic and political democracy. But this possibility was not feasible because of the situation of one-man management in the economy, and the increasing erosion of the role of Soviet democracy. Only effective changes in these terms could result in the regeneration of the possibilities for advance towards socialism. Instead what had developed was a degenerated workers state with increasing less possibility of its regeneration in progressive terms. Lenin was at least partially aware of this situation, but his attempt to resolve the problem was limited to an approach that called for measures to transform the role of the party. He did not recognise the importance of the development of economic and political democracy, or the realisation of the effective participation of the people in the organisation and administration of society. Thus, he did not challenge the view that the party had the unchallenged role of being the vanguard that should dominate the character of society. But this actually was the problem: how to end the unchallenged and superior role of the party within society in terms of the establishment of genuine forms of democracy. But economic democracy was considered to be impractical and political democracy was understood to be a concession to the role of bourgeois democracy. Hence there seemed to be no practical alternative to the domination of society by the party elite. The role of the party was to act as the guardian of the workers state, and this was the aspect that Lenin was not prepared to challenge or refute. But this meant that the party would dictate to the working class in the name of the interests of socialism. Unfortunately, the leadership of Stalin became the ultimate political conclusion of this situation. Lenin was able to act as a principled dictator who was able to uphold the interests of the workers in bureaucratic terms, but these objectives became effectively repudiated with the regime of Stalin. In order to oppose the development of the domination of Stalin it was necessary to repudiate the inherent dominating role of the party within society. But this was the very aspect that the Bolsheviks were unwilling to consider. Instead it became inevitable that the regime of Lenin was replaced by that of Stalin. The point is that at some point the benevolent and principled dictator is replaced by someone who is unprincipled and merely motivated by the role of personal power. In this context it can be argued that the degenerated workers state acquires features that increasing suggest the creation of a new type of exploitive society. In order to undermine this new development it is not merely necessary to transform the party, but it is also necessary to introduce economic and political democracy within society. However, tragically this is the very aspect that the Bolsheviks were unwilling to do. This means that the possibility of an alternative to the rule of the dictator becomes limited and unrealistic. The very vanguard role of the party acting on behalf of the working class turns into its opposite as the justification of a new form of exploitative and repressive regime.

The point is that the problem was the end of any accountability of the party to the effective influence of the working class in economic and political terms. This situation was initially justified by the party leadership because of the adverse social circumstances, such as the decline in economic development and the civil war. But the increasing stabilisation caused by the introduction of the NEP did not result in the demise of the monolithic party regime. Instead this situation was consolidated by the banning of factions and dissent within the party, and this meant that the party presented a monolithic position to society. Lenin became increasingly concerned about this situation which he blamed on the bureaucratisation of the character of state power, but he did not indicate the reason of this development which was because of the monopoly of political power by the Bolshevik party. The only manner in which this situation could be altered would be by the end of the regime of the one-party dictatorship. But nobody in the leadership of the Bolsheviks was prepared to endorse such an approach because they considered that only the Bolsheviks could express the aims and interests of the dictatorship of the proletariat. Furthermore, the decreasing popularity of the Bolsheviks meant that they considered that genuine elections to the Soviets could result in the victory of the forces of counterrevolution which would mean the end of the role of the workers state. Therefore, in order to continue the realisation of the aim of the construction of socialism meant that they could not reject their understanding of themselves as the only authentic revolutionary party, and with an exclusive right to represent the aspirations of the workers. Hence the ultimate problem was the illusions of substitutionism or the view that the party has the automatic right to express the historic interests of the working class. Hence, they could not contemplate that the actions of the party in power should be continually subject to the approval of the electors within the soviets. This attitude meant that the party did not trust the workers to be able to develop their own mature understanding of what was in their interests. Instead if the revolutionary perspective was to be upheld in a consistent and principled manner it would require the continuation of the exclusive role of the party in power. Only the domination of society by the revolutionary party would enable the promotion of policies that would be in the interests of the workers and the aims of socialism. This standpoint was true to the extent that Lenin’s leadership generally corresponded to the aspirations of the small working class and was related seriously to the aims of international revolution. But after Lenin the increasing opportunist approach of the party indicated that a dichotomy had developed between the aims of the party and the genuine interests of the working class. Such a situation indicated the necessity of the renewal of the accountability of the party to the workers in terms of the role of genuine soviet elections. However, such a possibility could not be contemplated because of the possibility that the Bolsheviks might be voted out of political power. Instead the increasing dogmatic adherence to the view that the party expressed the interests of the workers justified the domination of the party elite in terms of adherence to flawed economic and political perspectives. This situation meant that bureaucratic degeneration of the party was primarily based on the elitist view that the Bolsheviks had a unique capacity to express the interests of the working class, and so the result of this approach was the conception that the aims of socialism could only be maintained in terms of the party supervising society on behalf of society. The only form in which the dictatorship of the proletariat could be upheld was in terms of the party ruling on behalf of the workers. But the actual result of this situation was the increasing bureaucratic degeneration of the character of society. Such a development resulted in political regression and opportunism because the party began to justify its hegemonic role within society in terms of increasingly unprincipled politics such as the increasing indifference to the aims of international revolution.

Grant explains the character of the process of bureaucratic degeneration differently. He comments: “Lenin explained the rise of bureaucracy as a parasitic, capitalist growth on the organs of the workers state. The October revolution had overthrown the old order, ruthlessly suppressed and purged the Tsarist state, but in conditions of chronic economic and cultural backwardness, the elements of the old order were creeping back every where into positions of privilege and power in the measure that the revolutionary wave ebbed back with the defeats of the international revolution. There was a real danger that the revolution could suffer bureaucratic degeneration.”(p109-110) This is an important point, but the problem was that the elitist aspects of the conception of the privileged character of the revolutionary party mediated this aspect of bureaucratic development of the role of the state apparatus. The role of the bureaucracy and the party become a process of interrelation which meant that the conception of the authentic and participatory conception of socialism became discredited or conceived as being unrealistic. In this context it became possible for a party bureaucrat like Stalin to emerge and to establish his domination because of his influence in the party and state apparatus. This situation meant that the approach of Trotsky was considered to be unrealistic because its emphasis was on the importance of international revolution as opposed to the apparently primary tasks of the role of government. The result was the success of the approach of socialism in one country because it corresponded with the interests of what had become the party elite, which was more interested in the tasks of government than the advance of world revolution. Therefore, the dynamic and most important aspect of the process of bureaucratic degeneration was because of the decline of the revolutionary character of the party which had become used to the administration of society in terms of its own exclusive interests, and in this manner the interests of the workers had become an entirely secondary consideration. Grant contends that Lenin was aware of the problem of bureaucratisation within the state apparatus because of the importance of the role of bourgeois officials and bourgeois ideology, but this explanation is inadequate because Lenin could not admit that the ultimate basis of this issue was as a result of the role of the party substituting itself for the working class in the attempt to construct socialism. The only answer to this problem was to subject the party to the accountability of the workers via the role of Soviet elections, but Lenin was reluctant to support this approach because of the possibility that the Bolsheviks would no longer be popular with the people. The result of this dilemma was for Lenin to desperately try to develop an alliance with Trotsky in order to oppose the influence of the bureaucracy within the state. But such a perspective could not be successful as long as Stalin was the leader of party and state. This point was ultimately recognised by Lenin when he called in his will and testament for the removal of Stalin from his positions of power. The tragedy of this situation was that Stalin had too much power to be overthrown. What was not recognised by Lenin, until it was too late, was that the ascendency of Stalin was because of the ideological limitations of the party which considered that it had the exclusive right to act on behalf of the workers. The result of this view was the ascendency of a bureaucrat like Stalin, and the only manner in which the possibility to end Stalin’s leadership could have been realised was by a process of ideological transformation of the party, and the rejection of the approach of substitutionism. But such a development did not occur, and instead Stalin was able to justify his leading role in terms of being the personification of the views of the Bolsheviks and so had the exclusive right to express the interests of the workers. Trotsky did not challenge the role of Stalin because he also accepted the ideology of the infallibility of the party as expressed by its leader. Only after a crucial period of indecision did he commit himself to opposing the leadership of Stalin, but even this development was limited to a struggle within the party, and he did not seriously address the workers in order to obtain their support. The result of these limitations was an inevitable victory for Stalin because of his control of the party apparatus. Only if Trotsky had rejected the ideology of substitutionism could he had developed a principled strategy in order to facilitate the possibility to overthrow the leadership of Stalin. But this development did not occur.

The reason why Trotsky adopted the standpoint of socialism from above, or the effective role of the party as the expression of the dynamics of the basis of socialism, was because of the apparent failure of the factory committees to be able to implement the principles of workers management of the economy. This was because in the immediate aftermath of the success of the October revolution the various factory committees were not able to establish a successful situation of their management of the economy because of difficult circumstances, such as the lack of investment funds caused by the effective withdrawal of funds by the capitalists. In this situation there seemed to be no alternative than to close many enterprises, which was of course an unpopular measure with the workers, who acted to oppose the actions of the factory committees. In this difficult situation the factory committees could only enforce their actions in terms of the utilisation of the role of the Red Guards, who acted in a coercive manner to ensure that the aim of shutting enterprises was carried out. In this context the trade unions revived in order to uphold the interests of the workers. Lenin reacted to this situation by repudiating the importance of the factory committees and instead advocated the development of a centralised economy based on the process of nationalisation, state planning and the subordination of the trade unions to the role of one-man management. These adverse circumstances had led Lenin and Trotsky to become definite advocates of socialism from above, or the role of the workers state as the basis to organisation the functioning of the economy. It seemed that all attempts at socialism from below had ended in failure, and so this approach was considered no longer practical or feasible. But the result of this situation was that the party became the hegemonic expression of the character of society, and so it effectively ruled on behalf of the working class. This development was acceptable for the exceptional circumstances after the revolution but it could not express the possibility to realise what would be genuine forms of socialism which would require the genuine and popular participation of the role of the working class in the economic and political administration of society.

The ultimate outcome of these developments was the increasing ascendency of Stalin to the leadership of the party, and the related generation of the realisation of a process of bureaucratisation of the role of the state apparatus. In this context it seemed that the issue of the possibility of the regeneration of party and state relied on a struggle between the most important party leaders. Grant implies that if Trotsky had been successful, he would have been able to become the leader and so the party would have then promoted the role of principled politics. But the problem was that Trotsky did not effectively respond to Lenin’s attempt to develop an alliance against Stalin because he did not recognise the importance of this struggle and he was wary of promoting himself as the most important leader. Therefore, the alliance of Lenin and Trotsky against bureaucratisation remained formal and was not enacted in practice. But the actual central issue was the necessity to revive a coherent and effective conception of what could be a genuinely popular and democratic conception of the process of the transition to socialism based on the participatory importance of the role of the working class. But such an approach was not advocated because it seemed that such a standpoint had been discredited by the course of events. Grant seems to consider that nothing constructive and progressive could be realised in conditions of the isolation of the Bolshevik regime. The possibility for the renewal of the internal process of development required the success of the international revolution: “Without doubt Lenin would have fought relentlessly against the bureaucracy, but that in and of itself would not have been sufficient to have defeated the reaction. Only with the success of the revolution elsewhere, which would have broken the isolation and rekindled the revolutionary élan of the Russian masses, could the bureaucracy have been stopped in its tracks.”(p119) This view seems to imply that with the isolation of the regime, the success of the bureaucracy seems to have been inevitable. Grant denies this conclusion because the issue of the results of the international class struggle could not be decided in a rigid manner. It was quite possible that the success of the class struggle could have internally transformed the situation in Russia. But this view still implies that without the possibility of international revolution the victory of the bureaucracy was inevitable. This apparently deterministic view seems to deny the possibility that with a more intransigent struggle the forces led by Trotsky could have been successful against Stalin. But the problem was that in the vital period when it might have been possible to overthrow the leadership of Stalin, Trotsky seemed to ignore this possibility and instead adopted an uncertain approach. Grant rejects this point and instead contends that the apparent unity of the Bolshevik leadership against Trotsky meant that the balance of forces was unfavourable for the success of the forces led by Trotsky. This view has validity, but it still ignores the apparent reluctance of Trotsky to engage in a consistent struggle against the bureaucratic leadership of the Communist party until 1926. His articles before this period have an implicit criticism of certain of the actions of the role of the party, but he does not imply the necessity to establish an alternative approach, and his criticism of Zinoviev and Kamenev was based on their role in October 1917. Hence the Left Opposition was effectively passive for a vital period of time, and this enabled Stalin to consolidate his power. The struggle against the bureaucracy only became serious with the formation of the united opposition, or the alliance of Trotsky with Zinoviev and Kamenev. In this context serious criticism was made of the position of the Soviet communist party concerning the Chinese revolution and in relation to internal economic policy.

But the views of the Left Opposition in relation to economic policy were problematical because they did not suggest an effective alternative to the policy of encouraging the process of peasant production to become more related to the requirements of the industrial economy. Instead in a vague manner they suggested that the interests of the kulaks be undermined in terms of the promotion of the requirements of industry. But this was not the issue because the central economic question was how to strengthen the economic relations of industry and agriculture in terms of the realisation of mutual benefit. In this context it was necessary to recognise that the peasants should be encouraged to produce for industry and the city in terms of high prices for grain, and industry should create goods for agriculture at low prices. Therefore, Bukharin was not entirely wrong about the issue of what should be the priorities of economic policy. What should have been recognised as the problem was the ability of the merchants to be to purchase the goods of the peasants at low prices and then sell them at high prices to the city, whilst industrial goods were also purchased at low prices and then sold at high prices to the peasants. This development undermined the develop of mutually beneficial relations and instead created antagonisms between workers and peasants. Hence the aim should have been to establish a process of state distribution of goods in order to end the situation of high profits for the private traders. The failure to realise this possibility led to the contradictions and limitations in the attempt to realise economic policy. In this context The United Opposition was wrong to advocate greater industrialisation at the expense of the kulaks and the government was wrong to imply that there were no problems in the attempt to modernise the economy. If industry and agriculture was to be more successful it would be necessary to end the important role of the private trader, who was responsible for the distortions in the process of economic development. The point being made is that there was not an irreconcilable opposition between the policy of the Soviet government in the mid 1920’s and the approach of the Left Opposition. Both were interested in greater industrial development and the related aim of increasing the prosperity of the peasants. But differences over the character of the role of the kulaks obscured these similarities. The real difference concerned the issue of the possibility of socialism in one country. The government believed that the ultimate success of their economic policy would result in the internal construction of socialism, whilst the Left Opposition insisted that only with the advance of international revolution could socialism be generated within Russia. Hence the most important differences actually concerned the opportunism of the Soviet communist party in relation to issues concerning the advance of international revolution.

Grant argues that the position that Trotsky should have attempted to seize power using the role of the Red Army was mistaken: “In the absence of the active participation of the workers, there were indeed conditions for Bonapartism in Russia…..To rely on the Red army to take power would have resulted, in the given conditions, not in the prevention of the political counterrevolution but on the contrary, in enormously accelerating it. The sole difference would be that instead of a civilian bureaucracy, the military caste would be in power. The fact that Trotsky was at the head would have meant nothing. Either he would do the bidding of the officer caste (which was naturally ruled out), or h would have been replaced with someone who would…..A military coup would have led very quickly to the consolidation of proletarian Bonapartism….The whole process of degeneration would have been enormously speeded up. That is all.”(p129) But this understanding does not seem to recognise that there was an approach that was not consisted promoted which was the attempt to make an open and explicit attempt to develop the support of the working class for the politics of the United Opposition. Instead the process of struggle was limited to the role of the party, and the result was the inevitable victory of the forces of the elite. If this probability was to be undermined, it would have been necessary to go beyond the limitations of the role of the party and instead establish support for the opposition in terms of an open and consistent appeal to the workers for their standpoint. But such an approach was not carried out in any explicit manner apart on the occasion of one or two demonstrations when the United Opposition indicated its discontent with party policy to what was a bewildered and confused working class. In other words, the problem was that by limiting its struggle to the role of the party, the United Opposition was bound to be defeated because of the effective domination of the party and state apparatus by the Stalin faction. Indeed, it was this grouping that had an inherent majority within the party, and so could not be defeated by a struggle that was limited in terms of the role of an inner party conflict. Therefore the outcome of the dispute did become an inevitable victory for the Stalin dominated apparatus, but the point is that this outcome could have been rejected if the Left Opposition had carried out a more effective form of struggle against the leadership of the party.

But Grant seems to reject this conclusion and instead essentially does consider that the outcome of the struggles within the party was inevitable because of the unfavourable situation: “What was decisive here was the shift in the balance of class forces. The working class was exhausted and weakened by the years of war, revolution and civil war. The delay of the international revolution had a depressing effect on the Russian workers. On the other hand, the rising layer of bureaucrats increasing felt themselves masters of the situation.”(p131) This comment does imply that the opposition of Trotsky to this situation could not have been successful. But in order to make this apparent conclusion what is implied is that the oppositional role of Trotsky could only have been futile. We have to reject this deterministic view. It can be accepted that the given social conditions did create the political possibility for the success of the role of the bureaucracy under the leadership of Stalin, but it should also be argued that Trotsky did not act in the most intransigent manner in these circumstances. He could have carried out a more consistent form of political struggle, which would have involved an open appeal for support within the working class, in order to establish more favourable conditions for the development of successful opposition to the Stalin regime. The point is not that such an occurrence would have made the possibility of the overthrow of the leadership of the party inevitable, but rather that it would have expressed the most favourable conditions for the prospect of the establishment of the supremacy of the role of the United Opposition. Indeed there was considerable support within the party for this possibility, but such a sentiment was never developed and utilised in an effective manner. Instead the organisational and political limitations of the opposition made the victory of the Stalin regime inevitable under these conditions of the problem of the limitations of the role of the opposition.

It also has to be indicated that the victory of the Stalin and Bukharin faction made the possibility for the realisation of the formation of a new type of society possible because the influence of the working class within society had been ended by these reactionary developments. But the onset of a process of counterrevolution could not occur in an explicit manner because that would imply that the aim of socialism was being compromised and undermined in a serious manner, and such an admission would imply that the views of the Left Opposition were correct. Therefore, the creation of a new type of exploitative society had to occur in the form of the supposed defence and advance of socialism in terms of the role of the forced collectivisation of the peasants, which was based on the apparent economic logic that the result of this development would be an increase of the grain that was available to the state. But the actual process was based on the intensification of the exploitation of the peasants in terms of the coercive creation of collective farms, which meant an end to the role of private capitalist farming. Such a development was basically of a political character because it is doubtful that the size of the agricultural surplus actually increased, indeed it could be argued that it decreased because of the opposition of the peasants to the objectives of the state concerning the formation of collective farms. But what had resulted was the undermining of the potential of the opposition of the peasants to the aims of the state. The regressive aspect of this situation was confirmed by the fact that there was no development of the possibility of industrial democracy within the industries and instead the workers become reduced to the appendages of the aims of the state to try and increase the level of industrial production. However, all indications are that the workers resisted the onset of the attempt to generate the process of exploitation within the relations of production. Both the peasants and the workers were opposed to the attempt to introduce exploitation within the economy. The result of this situation was the formation of a dominating and exploitative ruling class, but the character of the economy was based on a situation that was characterised by inefficiency. Grant accepts that the process of collectivisation was carried out in a regressive, adventurist and counter-productive manner, but he does not challenge the view of Trotsky that despite the bureaucratic methods that were utilised in a distorted manner, but that within the context of these limitations the defence of the character of the nationalised property relations was being established. But this view does not make sense because it is not possible to develop a progressive type of economy using repressive and coercive methods that only result in the mass alienation of the peasants. However, this contradictory view is justified in terms of the standpoint that the only alternative was the restoration of capitalism via the role of the New Economic Policy. This view is dogmatic because the role of the NEP was to increase the economic connections between the activity of the peasants and the state in terms of the increased interconnection between the production of the peasants and the role of industry in the context of increased exchange between these two sectors of the economy. This development could only strengthen the possibility of the creation of the economic conditions for the advance of socialism. There was nothing inherently reactionary about the NEP that would have resulted in the restoration of capitalism instead the peasants would have become increasingly supportive of the aims of the socialism. What was reactionary and opportunist was the foreign policy of the Stalinists which was based on an increasing rejection of the aims of international revolution. If the Left Opposition had been able to ascend to political power, they would have had to retain the role of the NEP, even if they would have encouraged the formation of the collectives in a gradual and more consenting manner than the actions of the Stalinists. The point being made is that it was in the interests of socialism to ensure that the proletariat-peasant alliance was maintained in terms of the continuation of incentives for the peasants to produce grain for the cities in terms of role of trade and the importance of high prices for the products of the peasants. There was no alternative to this approach if the possibility of coercion in the relations of city and countryside was to be avoided. But in an implicit manner Grant implies that there was an alternative to both the supposed policy of the restoration of capitalism upheld by the encouragement of the private farming of the peasants, or the bureaucratic compulsion expressed by the approach of collectivisation. But this alternative is not elaborated because he suggests that despite the limitations of the approach of the bureaucracy there was a process of improvement in the conditions of the workers and their level of wages and the ultimate expression of increased productivity of society.

However, Grant also has to admit that the most important effect of the economic developments was an enhancement of the ability of the bureaucracy to extract a surplus from the process of production. He comments: “The bureaucracy was eager to share in the growing surplus product produced by the labour of the Russian working class. It devoured, wasted and embezzled a considerable portion of the national income. A small group of officials were receiving privileges as early as the first five year plan by the creation of a system of special shops, distributing centres, and dining rooms, where goods could be obtained at fixed prices – a great privilege in period of high inflation…..As parasites, the bureaucracy sought a bigger and bigger share of the national wealth. To prevent collapse, this corruption had to curtailed or limited in order to preserve the well-being of the bureaucratic caste as a whole. This was the role of the chief arbiter, Stalin.”(p141-142) Grant supports Trotsky’s view that this stratum was not a new ruling class, but it had all the attributes of a ruling class in terms of its ability to dominate the process of production, even if it extracted a surplus in an inefficient manner. The point is that the workers and peasants were subordinated to the imperatives of the bureaucracy within the emerging relations of production. This meant that a new ruling class had been created because of its ability to be able to dominate within the relations of production and in this manner to impose its imperatives onto the producers. In this sense a surplus was extracted from the workers and peasants in an exploitive manner because they did not have any ability to be able to define the objectives of the process of production. But Trotsky attempted to gloss over the importance of these developments by his conception of the character of the Soviet bureaucracy in terms of the characterisation of bureaucratic centrism. But this definition had been more appropriate to the period of the NEP between 1923-29 when in some sense the objectives of socialism were still being upheld by the party leadership. But the end of the role of the NEP and in that manner the demise of the role of the proletariat-peasant alliance meant that what had occurred was the completion of a process of counterrevolution that consolidated the formation of a new class that was able to dominate the economy in an exploitative manner. The point is that the bureaucracy rejected the option of the advance of socialism in terms of the continuation of the role of the NEP, and instead installed a regime based on the implementation of enhanced accumulation based on an extraction of a surplus from the producers. This development could not be explained in terms of the continuation of the conception of the role of the deformed or degenerated workers state. This understanding would only have had continued viability if the bureaucracy had in some limited manner continued to uphold the interests of the workers and peasants in relation to the aims of economic development. But instead of this possibility the bureaucracy attempted to oppose the supposed possibility of the restoration of capitalism – which was a standpoint based on the exaggeration of the influence of the rich peasants within the economy – by the introduction of collectivisation which could only alienate the peasants in relation to the economic objectives of the state. Therefore, the only economic logic to this development was the attempt to realise a society in which the bureaucracy was able to exploit the producers in a systematic manner.

This development occurred alongside the explicit rejection of the aim of world revolution in terms of an explicit indifference to the possibility to achieve the success of the overthrow of capitalism in other countries. In this context the effective opportunism of the Soviet communist party became more explicit in terms of the approach of the Third Period in which any suggestion of a united front with Social Democracy was rejected in terms of ultra-leftism that rejected any possibility of common action against capitalism. This approach was a conscious rejection of the necessity of tactics that could advance the aims of proletarian revolution in countries like Germany. The result of this standpoint was an explicit rejection of the necessity of united front with the Social Democrats against fascism. Hence the leadership of the Comintern seemed to be indifferent to the possibility of terrible counterrevolution in one of the most important capitalist countries, which was effectively the centre of the possibility of the progress of world revolution. Such a development seemed to be connected to the consolidation of the rule of a bureaucratic social class within the USSR. Indeed, Trotsky concluded from these developments that it was necessary to create a new international and that political revolution was required in the USSR. But in an important sense the necessity of a new international was established by the consolidation of the ultra-leftism of the conception of social fascism which was based on the ultra-left rejection of the necessity of an alliance between the communist parties with social democracy. Such an approach could only result in the advance of the interests of counterrevolution and in that manner undermine the possibilities of proletarian revolution. In this manner the events of the success of fascism was only the practical conclusion of the adoption of the approach of social fascism and the so-called Third Period. In other words, the formation of a new bureaucratic and exploitative regime in the USSR was connected to the explicit rejection of a perspective of international proletarian revolution by the Soviet bureaucracy and the Communist International. Instead the development of the formation of a new type of exploitative regime within the USSR was bound to have an effect in terms of the international policy of the Stalinists, and this meant that an approach was adopted, the ‘Third Period’ which could not express in a constructive manner the interests of the proletarian revolution. Instead this approach could only result in the isolation of the workers organised in the communist parties from the mass of the workers who supported Social democracy. The point being made is that the new Soviet bureaucratic class opposed the progress of any genuine proletarian revolution which could have undermined their own power and prestige. Instead they had to advocate a perspective that could only isolate the vanguard of the working class from the rest of the workers who were generally associated with Social Democracy. The actual failure of the approach of the Third Period did not result in the acceptance of the renewal of the standpoint of the approach of the advance of proletarian revolution. Instead there was a new opportunist modification of the standpoint of the Comintern in terms of the strategy of the popular front. But to the extent that this expressed the aim of the unity of the working class against fascism was an indication of the pressures exerted by the working class in order to try and develop an effective tactic of opposition to the forces of counterrevolution. It could have been possible to develop the approach of the popular front in a progressive and principled manner so that it became an expression of genuine opposition to fascism and in this manner was an approach that also upheld the interests of the aims of proletarian revolution. Indeed the formation of the popular front government in France led to the encouragement of the workers to promote the role of militant demands and to create the conditions for the establishment of economic democracy within the factories. If the popular front government had been principled it could have utilised this process of mass struggle in order to encourage the realisation of peaceful process of change that could have resulted in the formation of a revolutionary regime with the aim of socialism. Instead the popular front government in France limited itself to accommodation to capitalism and in that manner effectively opposed the development of the implications of the mass movement of the workers. Grant outlines how in relation to Spain what was a genuine development of the mass movement of the workers in a revolutionary manner was undermined and defeated by the actions of the Popular front government in which the role of the Stalinists was of importance. He makes the point that a revolution of the working class in Spain would undermine the credibility of the bureaucratic regime in the USSR, and so the attempt to realise a genuine social revolution by the working class could not be allowed to succeed. But there was a genuine dilemma for the working class movement in Spain because it had to accept the primary importance of the defeat of fascism counterrevolution. Therefore, the workers reluctantly had to accept the other form of counterrevolution in terms of the role of the popular front government because of their interests in the defeat of fascism. The result was a collection of strategic tensions which were resolved in a reactionary manner by the subordination of the role of the workers and peasants to the objectives of the popular front government. What was an important problem was that the anarchists, who had the major influence in relation to the revolutionary minded workers, lacked the political capacity to develop a perspective of proletarian revolution in connection to developing their opposition to fascism. Instead the forces of reaction within the popular front were able to undermine the revolutionary capacities of the workers and peasants. But the result of this situation was the victory of fascism. The tragic aspect of the situation was that the Communist party had an effective role in the defeat of the potential for proletarian revolution and became the major agency of the forces of the reactionary role of the bourgeois state. This development was the logical conclusion of the political degeneration of Stalinism since 1928.

The character of the purges is an expression of the demise of any connection of the bureaucratic regime with the role of the proletarian revolution of 1917. What occurred was the repression of any major figure who had been connected with the role of the Bolshevik party in 1917. This meant that people like Bukharin were accused of the ludicrous charge that in some sense he was the supporter of counterrevolution and had been opposed to the development of socialism. Bukharin denied these charges and instead affirmed his loyalty to Bolshevism and the working class. These purges were an indication that the party of the mid 1920’s had still in a limited manner was based on the objective of the aspiration to realise socialism, even if mistakes were made in terms of the advance of the objective of world revolution. Stalin was indicating by the role of the purges that there was a difference between an opportunist and an explicitly counterrevolutionary party. He was proclaiming by the role of the purges that the character of the regime had no relationship to the legacy of Lenin and the Bolsheviks, even if this standpoint was not formally expressed. Stalin was also accepting that the effective leader of the Old Bolsheviks was Trotsky who was considered to be the personification of opposition to the Stalinist government. Stalin was also suggesting that the only reliable leader was himself, and this expressed the implicit admission that his approach would have been generally opposed by the authentic Bolshevik party. Grant outlines the details of the purges in a descriptive manner, but he is unable to make these conclusions because of his adherence to the conception of the degenerated workers state. The result of this standpoint is that he has to imply that the purges were effectively and primarily the result of the personal character of Stalin. Such a view is valid, but we also have to situate these developments in terms of the consolidation of the new ruling class. What occurred was the formation of a ruling elite that was entirely based on loyalty to Stalin, and any potential dissident element was repressed. The formation of a new ruling class could not occur without the role of the purges. In this sense a new party was effectively developed that had as its only principle an absolute sense of loyalty to Stalin. In this context the principles of Marxism were reduced to the ideology being promoted by Stalin, and so the perspective of world socialist revolution was replaced by the standpoint of socialism in one country, as elaborated by Stalin. The importance of the Bolshevik party replaced any sense of allegiance to the principles of the class struggle. In this context the conception of socialism was based on the hegemonic role of the party in the organisation of society, and so any opposition could be defined in this manner as being of a counterrevolutionary character. In international terms the loyalty of the communist international replaced the primary importance of the struggle for socialism. The result of this situation was the success of either popular frontism or fascism. In this context the only principled alternative was expressed by the role of the Fourth International led by Trotsky.

Grant justifies the conception of the degenerated workers state in terms of the standpoint that it is possible to have many different forms of political regime that are based on the role of the nationalised property relations of socialism. But this view ignores the importance of the fact that the only principled and credible basis of socialism is that which is based on the role of the economic democracy of the producers and the importance of a political situation of the participation of the people in the administration of society. If this situation is not present, then what occurs is the development of distortions that may undermine the generation of the possibilities for the successful realisation of socialism. In this context the very expression of the rule of a party that acts on behalf of the workers is the development of the situation of a bureaucratic workers state in which the possibility of the genuine forms of self-expression of the activity of the working class is being undermined. In this context such a development can be resolved either in a progressive manner by the realisation of an effective situation of the administration and organisation of society by the people or else the process of bureaucratic degermation can be resolved in terms of the formation of a ruling class which dominates society because of the consolidation of the rule of the party. The fact that this process occurs in terms of the ideology of socialism does not alter this development if there is no sense in which the people are able to realise their ability to be able to organise and develop the economy and the related political structures. It has to be suggested that the onset of collectivisation of the peasantry combined with the introduction of the consolidation of the domination of bureaucratic control of industry led to a situation in which the result was an end to the role of the deformed workers state. Grant tries to reject this conclusion because of his support for Trotsky’s view that the continuation of nationalised property meant that in some sense the character of the workers state was being perpetuated despite the dominating role of the bureaucracy within the relations of production. But this approach is not able to explain that without the primary importance of the working class within the economy this situation must suggest that at some point the importance of exploitation is introduced in order to ensure the basis of the development of the productive forces. But this very development means that it is no longer possible to contend that some form of workers state – however degenerated – is being upheld. Instead the situation of the increasing influence of the bureaucracy within the economy means that what is occurring is the generation of the exploitation of the producers in the interests of the party elite which dominates the organisation and aims of the economy. In this situation a subordinated class cannot define the character of society. Instead the process of the domination of the bureaucracy must define the content of the activity of the economy and in this manner a surplus is extracted from the producers. To some extent the realisation of this development was delayed by the revolutionary character of the party which did sincerely attempt to uphold the aims of socialism despite the inability to introduce effective economic democracy, and so for a time it could be argued that the party did act on behalf of the working class in the organisation of the economy. But such a situation could only be temporary and so would be resolved either by the realisation of a situation of genuine economic democracy or by the consolidation of the party elite as a new exploiting class. The latter development occurred because of the failure to realise the success of international revolution, and because of the degeneration of the party under the leadership of Stalin.

Grant denies this conclusion because he considers, alongside Trotsky, that the process of Thermidorian reaction which led to the bureaucracy carrying out a political counterrevolution that led to the end of the political power of the party elite maintained what he considers to be the progressive expression of the nationalised economy of the workers state. He comments: “The political counterrevolution carried out by the bureaucracy completely liquidated the regime of workers Soviet democracy, but did not destroy the new property relations established by the October revolution. Raising itself above the workers, the bureaucracy sought to regulate these internal contradictions in its own interests. It based itself on the nationalised, planned economy and played a relatively progressive role in developing the productive forces, although in the words of Trotsky, at three times the cost of capitalism, with tremendous waste and, corruption and mismanagement. Far from eradicating these social contradictions, the bureaucracy accumulated new ones. In the end it raised itself above the proletariat and established a regime of bureaucratic absolutism where the working class was politically expropriated, without rights or a say in the running of society.”(p200) But this view is problematical because if the working class lacks any meaningful expression of political or economic power then its role is based on the domination of what is a new form of ruling class. In this context the only genuine issue is whether this situation expresses the character of a society based on the role of a new mode of production or state capitalism. The point being made is that the only manner in which any form of socialism could be expressed is in terms of the influence of the working class and peasants. If they have even a limited ability to be able to express their interests within society then it could eb argued that a degenerated workers state is a viable option. But this was not the situation within Stalin’s Soviet Union. The workers had no ability to be able to express their interests in terms of the role of genuine and independent trade unions, and the peasants had been coerced into becoming part of collective farms. In this situation the economic and political power of the bureaucracy was absolute, and so the character of society would express this situation. In this manner the role of the nationalised economy had no relation to the supposed continuation of the workers state. Instead the very consolidation of the economic and political power of the bureaucracy meant the demise of the role of what had become a degenerated workers state. The defeat of the Left and Right Oppositions combined with the regressive economic changes was an expression of the definitive counterrevolution that had occurred. Therefore, the analogy of Bonapartism is not sustainable. The original Bonaparte consolidated capitalism in France on the basis of a political counterrevolution that ended the democratic impulses of the revolutionary process in France. But in the USSR the process of reactionary political changes occurred alongside the transformation of the economy and society in terms of the interests of a bureaucracy that increasingly aspired to end the influence of socialism within society. The result of these politically regressive changes was a social counterrevolution that ended the connection of Soviet society with the initial socialist impulse of the October revolution. However, this change was ideologically justified in terms of the view that the heroic party was leading the process of the creation of society. A false ideology was needed in order to justify the regressive changes that resulted in the creation of a new type of exploitative society. But in a sense Trotsky still believed the ideology of Stalinism and so considered that in some sense a type of workers state was still being consolidated within the USSR. But this was a contradictory standpoint because he could accept that exploitation was a part of economic activity, and so be considered that in an important sense a surplus was being extracted from the working class in the interests of the bureaucracy. But this very admission meant that his conception of a degenerated workers state was very contradictory. These contradictions could be overcome if it was admitted that the dominant economic and political role of the bureaucracy was because it had become a new type of ruling class. The subordination of the working class within the social formation meant that it was not feasible to characterise it as still being the ultimate ruling class because of the continuation of nationalised property. Instead these contradictions could be resolved by the recognition that the systematic exploitation of the producers could only mean that a new type of regressive social formation had been created by the Stalinist counterrevolution. These developments meant that the period of what had been a degenerated workers state had been ended. In other words, the conception of the Bonapartist workers state was not tenable. The period of what had been proletarian Bonapartism could be applied most accurately to the regime of Lenin, which was based on the genuine attempt to uphold the interests of socialism in an elitist manner. But this situation could only be temporary, and its contradictions were resolved in a reactionary manner by the advent of the Stalinist regime that ultimately acted to generate the domination of a new form of exploitative society.

In other words, there is a major theoretical problem with the conception of proletarian Bonapartism. It is quite valid to indicate the importance of Bonapartism when elaborating the character of a political structure within capitalism. This is because it is possible for an independent form of political regime to emerge under given circumstances that is relatively autonomous in its relations to the dominant capitalist class. The bourgeoisie accepts this situation because it is still possible to ensure the continued progress of capitalism in these circumstances. But in relation to the character of a genuine socialist type of regime, it is necessary that the workers are able to exercise their ability to define the character of society in terms of the exercise of economic and political power. If the revolutionary party becomes an independent form of social domination this situation can only be expressed for a temporary period. It must be resolved in terms of the reassertion of the hegemony of the working class, or else a new type of exploitative society is created. In relation to the Russian revolution it can be suggested that a form of proletarian Bonapartism was evident for the period 1918-28. But the result of this unstable equilibrium was that Stalin resolved it in terms of the imposition of the rule of the party as a new type of dictatorship, which meant that the workers and peasants became exploited by the party apparatus. Trotsky was reluctant to accept this development, and instead he elaborated the conception of proletarian Bonapartism as a new norm in order to explain the social character of the Stalinist regime. But the logic of this perspective, if we accept the approach of Marx, would be to suggest that the proletarian Bonapartist regime was in an indirect and elitist manner still acting in the historic interests of the working class. But this viewpoint is untenable if we try to apply it to the Stalinist regime. Instead we have to outline in a more convincing manner that the Stalinist party elite was introducing a situation of the systematic exploitation of the working class in order to advance the progress of industrial development. The fact that this aspect was not carried out in an efficient manner does not deny the situation that the Stalinist regime only had an antagonistic and opposed relation to the working class. It was not in some bureaucratic manner carrying out the interests of the working class. Ultimately a worker’s state has to be based on the genuine expression of the ability of the workers to be able to define the objectives of society. What has to be present is a regime that is based on the attempt to realise the interests of the people in terms of the attempt to genuinely construct socialism. Therefore, proletarian Bonapartism can only be a temporary situation that has to ultimately result in advance to genuine socialism, or alternatively regress to the development of a new type of exploitative society. It as the latter outcome that resulted after the unstable period of proletarian Bonapartism between 1918-28. In contrast to this view, Grant considers that proletarian Bonapartism explains the ultimate character of the USSR. In this manner he can unconvincingly suggest that the social character of the society had an ultimate relation to the interests of the working class. The aspirations of the workers were realised in a bureaucratic manner. In this sense it could be argued that the USSR and similar societies were more progressive than capitalism. This approach is an illusion that is unable to explain the overall reactionary character of the domination of the working class by the bureaucracy. The point is that nationalised property relations did not represent a distorted and effective manner in which a form of limited socialism was being realised. Instead this economic form was the manner in which the workers were exploited in the interests of the bureaucracy. This meant that it was not credible to suggest that there was a worker’s state despite the actuality of the exploitation of the working class. Therefore, the party elite was not in some sense the bureaucratic guardian of the interests of the workers in terms of the promotion of the role of the nationalised economy. Instead the economic apparatus had become the expression of the ability of the bureaucracy to impose a type of exploitation of the producers within the relations of production. Hence the following definition of the character of the Stalinist bureaucracy outlined by Grant is problematical: He comments: “But as a special form of proletarian Bonapartism, in the last analysis, it represented the working class, in so far as it defended the nationalisation of the means of production, planning and the monopoly of foreign trade.”(p204-205) But in what manner did this situation mean that the interests of the working class were the defining aspect of the character of the nationalised economy? It could be argued that the welfare state of the period between 1945-79 was a more effective expression of the interests of the working class within many advanced capitalist societies! In relation to Stalinism, the role of the nationalised economy was not to provide the workers with adequate consumer goods, and nor could then influence the planning process in terms of deciding what goods would most realise their needs. Instead the character of the objectives of the economy was primarily decided in terms of the objectives of the bureaucracy, and this resulted in an emphasis on the production of high-quality munitions for the purpose of the cold war antagonism with the USA. In contrast the quality of consumer goods was often of a defective nature, and so did not realise the needs of the producers. It was not possible to change this situation because the workers had no influence over the priorities of the economy, which was instead primarily an expression of the interests of the bureaucracy. In contrast the Bonapartists under a capitalist regime made no attempt to undermine the efficiency and interests of the process of capital accumulation. They did indirectly act in terms of the aims of the capitalist mode of production. All that had been changed was that the capitalist class did not directly exercise political power. This situation was not comparable to the political character of Stalinism. The bureaucracy did not indirectly act in terms of the interests of the working class, and instead this relationship was based on the imposition of forms of economic exploitation of the producers. In this manner the political control of society by the party elite enabled it to exert its own distinct economic interests and so in this manner exploit the working class within the form of the role of nationalised property. Therefore, the bureaucracy was not influenced by the interests of the working class and so could not be said to be acting on its behalf in an elitist manner. Instead it considered the workers to be the expression of the interests of the planning process which was elaborated by elite planners who upheld the interests of the elite. In this manner it would be dogmatic to claim that the role of nationalised property was in some manner in the interests of the workers. Therefore, in some naïve manner, both Trotsky and Grant accept the view that in some bureaucratic manner the party elite accepted as its obligation the aim of acting on behalf of the interests of the workers in economic terms. This is a naïve standpoint, and so is unable to explain the actual exploitative character of the relations of production. The criticism of the standpoint of Grant is that it is naïve and dogmatic to claim that there is some inherent relationship between the nationalised economy and the apparent role of a degenerated workers state. This contention is unable to explain the actual objectives of the nationalised economy in the context of the actual antagonistic relations between the workers and the bureaucracy. The point being made is that the bureaucracy imposes its antagonistic economic objectives onto the workers or establishes a situation in which what is alienated labour has to create products that enable a situation in which a surplus is made in exploitative terms.

Instead of this understanding Grant implies that there is something inherently progressive about the character of the nationalised economy: “The Stalinist bureaucracy rested on the new property relations established by the revolution, which for a whole period demonstrated a colossal vitality. Until recently, the Russian bureaucracy was compelled to defend state property as the source of its power and income. This fact alone enabled it to play a relatively progressive role in developing the productive forces. However, even in the best period, it remained a parasitic growth on the workers state, the source of endless waste, corruption and mismanagement. It had all of the vices, and none of the historical virtues of the ruling class.”(p210) But this understanding does not explain the actual relations between the working class and the bureaucracy within the nationalised economy. Instead it is assumed that because the nationalised economy is progressive that this implies that the workers in some sense benefit from this situation. This view is an illusion. The point is that the unequal relations between the workers and the bureaucracy within the relations of production must be based on the actuality of a situation of exploitation in order to extract a surplus from the producers. This development cannot be defined in any sense as the expression of the nationalised property relations of a degenerated workers state. Instead what is occurring is the generation of the ability of the party elite to be able to impose its domination over the process of production. In this context it is not credible to define this situation in terms of the supposed influence of the role of the working class within the process of nationalised property. Indeed, Grant accepts that in the conditions of the Stalinist economy there was no expression of any form of workers control of production, but this could only mean that what had resulted was the generation of the ability of the party bureaucracy to be able to be dominant within the economy and so express the ability to act as a new type of ruling class. Grant rejects the theory of bureaucratic collectivism in order to explain the Soviet Union because of its apparent unconvincing character, but he does not tackle the crucial aspect of this theory which is that the bureaucracy exploits the workers within the role of the nationalised economy. Instead he simply asserts that the approach of Trotsky is superior. In formal terms he may be able to uphold his standpoint in emphatic terms, but this is because he ignores the importance of the character of the relations of production of the nationalised economy. In other words the point being made is that if its not possible for various reasons to establish the possibility of economic democracy under the dominant influence of the working class, the ultimate result must be the creation of a system in which the workers are subordinated to the imperatives of an elite that is able to impose its imperatives on the process of production. The result of this development must be the generation of an extraction of a surplus from the workers in order to develop the process of production. In other words, the importance of the character of the relations of production is ignored by all those that defend the theory of the character of the USSR as a degenerated workers state. Grant also rejects the state capitalist view of Tony Cliff because he contends that if this approach was true it would mean that world capitalism was no longer in decline but instead was capable of a new progressive stage of state capitalism. This may be a valid point, but it does not tackle the reasons that Cliff provides for the theory of state capitalism such as the process of the accumulation of capital by the Stalinist elite. Furthermore, even if we can provide various reasons why the USSR is not capitalist, such as the lack of genuine commodity production and the absence of the role of market competition, this does not mean that the USSR is therefore a type of workers state. Instead the most credible approach is to uphold the view that the USSR is a new type of exploitative society based on the role of the nationalised economy. In this context the features of capitalism are not present, but there is still a situation of the exploitation of the producers within the new relations of production.

Grant reject this type of reasoning and instead insists: “Why cannot the state gain independence from the class, and at the same time (in its own interests) defend the new economic forms created by the revolution?”(p219) The reason why this perspective is not credible is because if the party elite becomes consistently independent from the interests of the working class it will attempt to impose this development in economic terms. The elite will aspire to establish its domination with the new nationalised property forms. Such a situation can only mean that the elite is attempting to become a class that aims to exploit the working class within the relations of production. Grant’s rejection of this logic can only mean that he considers the character of the nationalised economy in abstract terms as being inherently progressive and so incapable of generating new relations of production based on the importance of the development of a situation of exploitation of the producers. But we already know from the experience of capitalism that nationalised industries are based on the situation of exploitation because of the imposition of the imperatives of capital accumulation. There is a similar logic in relation to the character of the nationalised economy of the Stalinist societies. The ultimate limitation of Grant’s approach is that it must be based on the assumption that in some distorted manner the bureaucracy acts on behalf of the working class in economic and political terms. But this assumption is very tenuous because the aim of the bureaucracy is to try and extract the maximum amount of surplus from the working class and in relation to that aim it develops a repressive form of political system. Only the ideology of formal Marxism would suggest that this situation represented the development of socialism, but this is a false ideology because the actuality was that of a situation in which the workers are exploited within the relations of production. Grant also suggests that what has resulted in the USSR is a specific expression of the process of transition to socialism, but this view is not tenable because this conception would imply that what is occurring is a specific expression of the possibility to develop a classless society via the domination of the bureaucracy. But there is nothing in the actions of the bureaucracy that would suggest that this type of development was occurring. Instead all that was happening was the consolidation of a regime that was based on the domination of the producers by an elite. In this manner it could not be suggested that in some manner socialism was being created via the detour of the role of the degenerated workers state. Instead the repressive type of society was an indication that a counterrevolution had occurred which had ended any connection of the initial Soviet society to the aim of socialism. The advent of Stalinism was an indication that the possibility to realise socialism had been ended. Only the success of a new form of proletarian revolution could revitalise the possibility that the aim of socialism could be renewed and revived.

Instead of this perspective Grant contends that the rule of Stalin could be an exceptional expression of the role of the dictatorship of the proletariat under certain circumstances. He comments: “Under certain circumstances, the dictatorship of the proletariat can take the form of the dictatorship of one man. We are not talking about a healthy workers state, but a distortion that can arise from the separation of the state from the class it represents. This means that the apparatus will almost inevitably tend to become independent of its base and thus acquire the vested interest of its own, hostile and alien to the class it represents. This was the case with Stalinist Russia.”(p220) S it is admitted that the dictatorship of Stalin was based on opposition to the aspirations of the workers, and yet in the last analysis this situation was an expression of the interests of the working class! Such a standpoint is not tenable. If it is accepted that the dictatorship of Stalin was opposed to the interests of the working class, how can such a society still be the expression of a distorted type of workers state? Instead this situation of antagonistic interests would suggest that the type of society being developed was not a form of the workers state. Instead the dictatorship of Stalin would express the interests of the generation of a society that was based on the subordination of the workers and peasants to the interests of the bureaucracy or party elite. Such a situation could not be defined as being the expression of the role of a form of workers state. Instead the aspect of social antagonism could only mean that a ruling class had emerged that was based on the subordination of the role of the working class within the relations of production. Indeed, in an implicit manner this situation was accepted by Trotsky and Grant because they advocated the role of a political revolution in order to create the conditions for the emergence of the possibility of authentic socialism. But such a revolutionary transformation, if it was to be effective, would mean the demise of the domination of the bureaucracy over the economy and instead the establishment of economic democracy within the relations of production. But such a development could only mean that an exploitative social formation had been replaced by what was a genuine socialist type of society. Thus the conception of political revolution only makes sense as being a form of social revolution that results in the transformation of the character of the economy and society in general. Therefore, the conception of proletarian Bonapartism is not credible. Instead it can only be a gloss on the actuality of the exploitation of the producers within a new type of exploitative society.

But is it possible to explain the process of the restoration of capitalism in terms of the approach based on the importance of the development of a bureaucratic mode of production? Grant is right to suggest that the proponents of the view that the USSR is state capitalist have difficulties in this regard, but what about the advocates of the standpoint that the system was bureaucratic collectivist? In reply to this question it could be suggested that the limitations of the bureaucratic economy meant that the pressures for the restoration of capitalism became increasingly important. It was considered by the ruling elite that the economy would be more efficient and profitable if capitalism was restored. The creation of a situation of the role of the private form of the economy would enable a new class of capitalists to develop who would be able to extract a surplus from the producers in a more effective manner. Therefore, the problem with the bureaucratic system was that the working class had acquired a level of economic control over the activity of the mode of production that undermined the ability of the party elite to be able to extract a surplus in an efficient manner. Hence it become necessary to advocate the restoration of capitalism in the Gorbachev era. However, the Yeltsin era did not result in the efficient development of capitalism and instead only led to a situation of mass unemployment, this was because the bureaucracy was unable to transform itself into a private capitalist class based on the functioning of the economy in terms of the role of individual companies. Instead it became necessary for the role of a strong state form of intervention in order to generate the process of the restoration of what is a moderately form of efficient capitalism. This situation was based on the interaction of the role of the state and the capitalist class, and so ironically what has occurred is the development of a form of state capitalism! But ironically the advocates of state capitalism have been unable to recognise this situation because they considered that the Soviet Union was a classical expression of the role of state capitalism. But Grant was also being premature when he considered that the process of change under Yeltsin would result in the formation of a predominantly private form of economy based on the domination of individual capitalists. In actuality this situation could not be developed and instead the role of state intervention had to be combined with a process of interaction with a collection of powerful capitalists who dominated the economy. In this manner it could be argued that what has resulted is a limited form of state capitalism, and this system attempts to defend its economy in terms of imperialist ambitions to expand beyond the frontiers of Russia. Thus, the imperialist aspects of Russia complement the character of the emerging nature of the economy, in terms of the interaction of a type of state capitalism with the perspective of economic and political expansion. In ideological terms this system is based on the restoration of a traditional form of Russian nationalism, which is why Stalin is praised but Lenin criticised. The revolutionary aspects of Bolshevism are rejected but Stalin’s support for Russian nationalism is praised. Hence in ideological terms the creator of the present system is considered to be Stalin and the Tsars. Therefore, the bureaucratic mode of production is rejected as being an expression of inefficiency that did not create a dynamic and profitable economy, and instead it is recognised that a system based on the domination of the private mode of production will be more efficient. But in order for the economy to function effectively it has to be based on the influence of the state, which can intervene in order to support the most powerful capitalists. Therefore, even though there is little nationalisation it could be suggested that the character of the economic formation has become state capitalism. Hence Grant was premature to conclude that the process that occurred after the end of the Gorbachev regime was the realisation of a situation of the domination of market capitalism. Instead the attempt to restore the domination of the private mode of production was not sustainable without the role of effective state intervention. It was necessary for a process of the interaction of the state and the most powerful private capitalists in order to create an effective economy that was able to overcome the situation of dislocation of the Yeltsin years. This development has occurred alongside the generation of the imperialist ambitions of Russia, which is why it has become a rival of the role of the USA, even though it is still effectively subordinated to the interests of the American economy and its political aims.

We can conclude that even if the supporters of the theory of state capitalism have had difficulties explaining what has occurred within the USSR, we would suggest that it is still possible to indicate the process of change that has occurred in terms of the approach of bureaucratic collectivism. In other words, this specific form of exploitative society entered into a period of acute crisis, and it proved effectively impossible to transform it in a progressive and efficient manner. Hence the support for the Yeltsin counterrevolution increased, and the result was the economic and political restoration of capitalism in formal terms. Nevertheless, the Yeltsin era was one of economic chaos and it was necessary to create a strong state structure in order to supervise a more effective process of the development of the role of capitalism. The regime of a strong dictator was necessary in order to try and establish the conditions for a fairly effective form of capitalism. But this development has not ended the process of deindustrialisation and the increasing importance of the role of finance capital, but this development is still an expression of the realisation of a capitalist type of society. In this context we have a limited type of state capitalism. The actual advocates of state capitalism are unable to satisfactorily explain these developments because it would result in questions about their theory concerning the character of the USSR. For example, how is it possible to go from one form of state capitalism to another form based on such a process of economic and political upheaval? It would seem to be more logical to retain the system of Stalinism which is considered to be state capitalist rather than go through a situation of enormous change in order to establish a similar situation? It would also seem not to be credible to suggest that important political change is necessary in order to go from state capitalism to a situation of the domination of private capital. Why was important political change necessary for this development? But it we contend that what occurred was change from a bureaucratic mode of production based on the domination of the Communist party to a regime of capitalism then the process of political upheaval becomes explainable.

How then can we evaluate the views of Grant concerning a process of change from a worker’s state to the domination of private capital. The problem with his view is that his standpoint would imply that the working class would act to defend the continuation of the role of the workers state against the process of the restoration of capitalism. But this development did not occur, and indeed Yeltsin the most important supporter of the introduction of capitalism became the most popular politician in Russia. Therefore, nobody was concerned to defend the supposed gains represented by the role of the degenerated workers state. But if we consider that the USSR had become a form of bureaucratic collectivist then the unpopularity of its social formation is explainable. In this context the social system of the USSR was considered to be inefficient and anachronistic and as a result it was not worth defending its limited gains by the working class. Instead people were motivated to establish the possibility of a democratic republic as the basis to uphold their economic interests, and so in this manner there was popular support for the restoration of capitalism. In other words the approach of Grant is not credible because if the USSR was a type of workers state then at least some of the workers would have been motivated to defend its gains against the possibility of the demise of this type of society. But such a possibility did not occur. Therefore, we can conclude that the approach that is most able to explain the developments in the period 1989-92 is the theory that the USSR was bureaucratic collectivist. This standpoint would explain that because of the limitations of what had become an inefficient exploitative type of society meant that popular support for the restoration of capitalism and democracy had developed. The approach of capitalism was equated with the demise of the one- party regime. In this context Yeltsin became the most popular politician and so could be the leader of the process that resulted in the establishment of a form of capitalism. But ultimately this development could only be sustained in terms of the role of state intervention and the realisation of a form of limited state capitalism.

The point being made is that the approach of Grant implies that the working class was acting in terms of the role of false consciousness because of the lack of mass activity in terms of the defence of the degenerated workers state in the context of the possibility of the restoration of capitalism. But it was actually logical for popular support for Yeltsin to develop because it was obvious that the existing form of social formation had no relation to the aims of socialism, and instead had become anachronistic and inefficient. As a result, the popular support for Yeltsin was logical. Only the terrible process of the restoration of capitalism led to mass opposition, but this did not mean that there was a yearning for the return of the domination of the Stalinist Communist party. In this situation political stabilisation was established in terms of the development of a form of state capitalism under the domination of the role of a strong leader. The problem with trying to develop a popular party based on the aims of socialism was that this approach was identified with the role of the Stalinist Communist party, and most people did not want to return to that type of society. Therefore, it was necessary to develop a new conception of socialism based on the importance of democracy. In other words, it was vital to indicate that socialism had no relationship to the role of Stalinism. This would be a difficult task, and indeed capitalism has become popular become it seems to be more efficient than the limitations associated with Stalinism such as the lack of consumer goods. As a result of this political situation it would seem that the prospects for socialism In Russia are not very good, and so it will take the development of proletarian revolution in other countries in order to regenerate the possibility for the revival of alternatives to capitalism.

Grant eloquently outlines the various failures of Stalin in relation to the invasion of the USSR by German imperialism in 1941. He is also right to support the defence of the USSR in this war. But his reasoning for support of this defence is flawed. He comments: “Yet the war – despite the Stalin regime and the terrible sacrifices – demonstrated beyond question the viability of the new property relations established by the USSR.”(p245) But the people did not struggle in order to defend the workers state, instead they were opposed to the terrible military invasion of the German army, and so were concerned to uphold the national integrity of the USSR against the possibility and actuality of invasion and occupation. Indeed, we can support the USSR in these terms in that it carried out a successful struggle and opposition to the possibility of fascist and imperialist domination, and so despite the limitations of the Soviet regime this resistance can be supported as being progressive. But this support does not mean that all of the methods of the Red army can be uncritically accepted by revolutionary Marxists. For example, we can criticise the failure of the Red army to support the Warsaw uprising and it was necessary to demand the withdrawal of the Red army from Eastern Europe after the victory against fascism. Instead of this critical and conditional support for the defence of the USSR against fascist imperialism, Grant seems to imply that the character of the role of the USSR was generally progressive because the result of the actions of the Red army was the creation of deformed workers states in Eastern Europe. He comments: “The victory of the Red army in the war was one of the main factors that allowed the Stalinist regime to survive for decades after 1945. To the workers of Russia and the world, it appeared that the bureaucracy was playing a progressive role, not just in defending the planned economy against Hitler, but in extending the nationalised property forms to Eastern Europe, and later China. In reality these revolutions began where the Russian revolution finished – as monstrously deformed regimes of proletarian Bonapartism. The installation of such regimes, far from weakening the Moscow bureaucracy, enormously strengthened it for a whole historical period.”(p245) n other words in a limited manner the role of the Stalinist bureaucracy is considered to be progressive in the creation of deformed workers states based on the overthrow of capitalism. The role of the single and isolated national degenerated workers state was ended by the extension of the character of this type of regime to Eastern Europe. Hence in a bureaucratic manner the Stalinist party and Red army had carried out a progressive act in terms of the effective overthrow of capitalism. The result was the development of deformed workers states that were ultimately based on the role of the nationalised economy which was similar to that of the USSR.

If we consider the limitations of the approach of Grant, we have to question the view that the Soviet people were motivated by the aspiration to defend the social gains of the degenerated workers state. Instead their primary concern was to reject the occupation of their country by an aggressive and reactionary foreign power. Indeed, Stalin recognised this aspect in terms of his emphasis on the defence of the Russian motherland and the importance of previous national actions to oppose the intentions of foreign invaders. But obviously the ultimate result of the resistance of the Soviet people was to oppose the possibility of the demise of the bureaucratic system because of their ability to successfully defend the USSR against the possibility of enduring foreign occupation. In this context the aspect of defence of the USSR also involved the necessity for the Red army to expand into Eastern Europe in order to bring about the defeat of the fascist forces. But such an action should not have been accompanied by atrocities against the German people, and the Red army should have withdrawn from Eastern Europe after its definitive victory against the fascist forces. Indeed, such a development would have actually encouraged the working class of the various Eastern Europe to overthrow what had been pro-Nazi regime, and as a result led to the development of what could have been international proletarian revolution. Instead the occupation of the Red army led to the creation of what were effectively bourgeois regimes prior to the bureaucratic overthrow of capitalism which led to the establishment of societies that were a replica of the USSR. In this sense a type of counterrevolution had occurred against the possibility of proletarian revolution. Such actions were not progressive and so did not result in the creation of a type of deformed workers states. The Soviet bureaucracy had not carried out a form of bureaucratic proletarian revolution, and instead its occupation of Eastern Europe led to the creation of societies that were based on subordination to the interests of the Soviet bureaucracy. These actions were consistent with the opposition of Stalin to any possibility for the development of proletarian revolution in Western Europe. What Stalin was concerned about was establishing the domination of Eastern Europe, and this initially took the form of bourgeois regimes, which were then replaced by pro-Soviet administrations. These actions were reactionary, but the theory of the creation of bureaucratic workers states implies that what occurred was in a limited sense a progressive measure. The political logic of this standpoint is that the working class of Eastern Europe should have supported the creation of the deformed workers states. Hence the difference between a genuine proletarian revolution and the counterrevolutionary overthrow of capitalism became blurred. This issue is not discussed by Grant because he considers that the only logical outcome of the domination of Eastern Europe by the Soviet bureaucracy could be the creation of deformed workers states. But the actual logic of this standpoint is to provide critical support for the role of the Stalinists. Thus, the only principled approach is to contend that the structural assimilation of Eastern Europe into the regime of the USSR was to result in the creation of a new form of bureaucratic exploitative regime. There was nothing progressive about this action because it meant that the genuine possibility for the advance of proletarian revolution was being undermined. The only action that could be genuinely progressive in this context would be the authentic advance of a process of proletarian revolution. This was a real possibility because the advance of the Red army into Eastern Europe had encouraged the revival of the movement of the workers of Eastern Europe. But only in Yugoslavia could it be said that a genuine development of a deformed workers state had occurred because of the promotion of the influence of the role of workers control within the economy. The result of this situation was the development of antagonism between Yugoslavia and the USSR. In this context the Fourth International was principled to critically defend the role of the Yugoslav CP. However, the Fourth International was not able to establish a credible understanding of developments in Eastern Europe, and so the ultimate result was the justification of the conception of bureaucratic proletarian revolution. This approach was upheld and developed by Ted Grant. He defends this standpoint in his book. But the problem with this approach is that it is unable to establish the ultimate reactionary character of the process that occurred under the domination of the Stalinist bureaucracy. Indeed, it is necessary to outlined that the developments that occurred in Eastern Europe were based on the necessity of opposing any possibility of the realisation of genuine proletarian revolution and this is why the initial aspect of developments was based on the consolidation of the role of the national bourgeoisie. Only after the stabilisation of capitalism was it considered appropriate to begin the realisation of the counterrevolutionary overthrow of capitalism in terms of the establishment of the total domination of national communist parties. The working class was not mobilised in order to support this process of reactionary change, and instead what occurred was essentially the expression of a situation of change within the state apparatus. But in Yugoslavia it could be argued that a genuine deformed workers state was created because the process of change was based on a limited expression of the mobilisation of the workers and peasants, and this development was not dependent on the connections with the role of the USSR. This meant that the regime in Yugoslavia was always distrusted by Stalin, and as a result the split in 1948 became inevitable. In this context it did become relevant to advocate the development of a political revolution in order to try and create a genuine workers state. However, this possibility was not realised because of the ultimate opportunist character of the leadership of the Yugoslav communists and the failure to mobilise the working class to realise this perspective.

How should the situation in China be evaluated? It could be argued that what occurred in China was a genuine process of revolutionary change based on the leadership of the peasants by the communist party which led to a process of successful revolutionary change and the realisation of the overcoming of feudalism in the countryside and the effective expression of a process of bourgeois democratic transformation of society. Initially the communist party had no intention of going beyond the limitations of capitalism, but the influence of the role of the Korean war and the increasing antagonism of the USA led to the bureaucratic end of the importance of capitalism and the carrying out of a process of the collectivisation of the countryside. In this manner in the period after 1952 the bureaucratic assimilation of China into the system of the USSR occurred, and the relations between China and the USSR became close. The USSR became committed to the economic development of China. Grant also accepts that the Chinese Communist party also carried out the bourgeois democratic revolution in a bureaucratic manner, but he then concludes that the conclusion of this process was the formation of a proletarian Bonapartist regime. However, he does not provide any reasons for this development apart from the importance of the role of a Stalinist party. In this context he makes no mention of the role of the Korean war. This is an important point because it was this war which convinced Mao of the necessity to end the role of capitalism because of the antagonism of the USA towards China. The point is that the USA government made an important error with its hostility towards China in the Korean war which meant that the relations between China and the USSR became closer. The result of this development was the creation of an impetus for the overthrow of the role of capitalism which occurred between 1952-53. This meant that the Chinese communist party recognised that in order to maintain the principles of national independence it was necessary to copy the example of the USSR. The point being made is that if the Korean war had not occurred it is quite possible that Mao may have been content to carry out a revolution that was limited to the establishment of an independent form of capitalism. Indeed, it could be argued that this was his initial aim. Indeed, the working class was not strong enough to exert any pressure in favour of the overthrow of capitalism, and the peasants were in favour of a system of private ownership of the land. But such calculations were undermined by the increasing antagonism of the USA towards China. It was in the interests of national security that resulted in a process of the bureaucratic overthrow of capitalism and the establishment of a regime that was similar to that of the USSR. Such a development could not necessarily have been anticipated because Mao was initially content with the success of the bourgeois democratic revolution, which was based on mass peasant support. He also had support for this development within the national capitalist class. The one class that had no real relation to the Chinese revolution of 1949 was the working class. Hence there was no pressure from the working class to overthrow capitalism in the 1952 period. Instead such an action was motivated by the increasing antagonism of the USA.

Grant seems to consider the character of the process of change in terms of the ability of peasant mass support to bring about the formation of a proletarian Bonapartist regime. He comments: “Where the proletariat is not playing a leading part in the revolution, the peasant army, with the impasse of bourgeois society, can be used, especially with the existence of ready-made models, for the expropriation of bourgeois society, in the Bonapartist manoeuvring between the classes and the construction of a state on the model of Stalinist Russia. Such was the case in China, Yugoslavia, and later in Cuba, Vietnam, Burma, and in other countries of proletarian Bonapartism.”(p252-253) But this a very rigid, dogmatic and teleological approach that does not allow for the importance of different circumstances in each of the examples provided. The point is that in relation to China there was no obvious or inevitable reason why the overthrow of capitalism would occur under the given circumstances of the 1949 revolution. The power of the Chinese Communists was established in terms of the success of what had been a bourgeois democratic revolution. In this context the peasantry had no interest in the introduction of anti-capitalist measures, and the workers were not powerful enough to insist on the nationalisation of industry. Furthermore, Mao had no inclination to carry out an anti-capitalist revolution in 1949. But the events of the Korean war and the intensification of the cold war led to a process of the modification of perspectives. It became credible to support the socialist continuation of what had been a national democratic revolution. The result of this development was the nationalisation of major industry, and the effective alliance with progressive capitalists was ended. This situation also led to closer relations with the USSR, and China became the expression of the interests of Stalinism in relation to its foreign policy actions. There was nothing inevitable about this process that led to the bureaucratic overthrow of capitalism, and instead such an action was motivated by the conjunctural requirements of the international situation. If the dynamics of the national revolution had remained dominant it is possible that a type of state sponsored capitalism may have continued to be influential. But the increasing antagonism between China and the USA ruled out the credibility of this option. In this context Mao outlined a version of the theory of permanent revolution, or the relation of the bourgeois democratic and socialist revolution, in order to justify the changing policies of the CCP. In contrast to this complex situation, Grant considers that the formation of a proletarian Bonapartist regime in China to be inevitable. This is a dogmatic standpoint that does not explain the specific complexity of the political and international situation that ultimately motivated the actions of Mao. It is quite possible that if the Korean war had not occurred that a different political policy may have been adopted by the Chinese communists. Only after 1952 did the CCP become consistently committed to anti-capitalist objectives. The same point could be made about Cuba. It was only the intensification of the antagonism of the American government in relation to the Cuban revolution which led to the adoption of increasing anti-capitalist measures such as nationalisation of the economy, and the acceptance of increasingly closer relations with the USSR. The Cuban revolution began as a bourgeois democratic revolution and there was no inherent logic that it would acquire anti-capitalist aims. Castro was not committed to the objective of socialism and instead was in favour of the realisation of popular democracy, which he initially related to the continuation of capitalism. Only the development of the opposition of the USA government led to the acceptance of the Marxist views of Che Guevara. With the establishment of relations with the USSR began the process of structural assimilation into its social system.

Grant contends that the relations between eastern Europe and the USSR was not based on imperialism because there was a situation of favourable trade that was in the interests of the Eastern European countries. But there is another form of imperialism in that Eastern Europe was under the political control and domination of the Soviet Union. These countries could not act in terms of the application of the principle of political independence and instead were based on a situation of subordination to the USSR. This meant that their economic development was ultimately based on the interests of the Soviet economy even if they were able to benefit from favourable prices in relation to trade and imports with the USSR. The fact that there was no possibility to realise the principles of national self-determination was indicated in relation to the Hungarian revolution which was suppressed by the role of the Soviet Red army. In other words, any expression of the popular role of the working class was opposed to the character of the regimes that had been created by the USSR in Eastern Europe. This situation was an expression of the repressive character of the role of the Stalinist bureaucracy which could only construct regimes that were authoritarian and not based on any expression of genuine democracy. In this manner the Stalinist bureaucrats upheld control over the countries of Eastern Europe. Therefore, the unrest of the workers of countries like Hungary would be connected to the aspiration to realise genuine national self-determination. In other words, there was a Soviet empire based on the distinct importance of the principles of a form of imperialism, even if this was not expressed in any systematic economic manner because of the self-sufficient character of the Soviet economy which meant that minimal trade with the Eastern European countries occurred. The point is that the question of the maintaining of the so-called principles of socialism was related to the denial of the aspiration for national self-determination which was considered to be an expression of the aim to restore capitalism. This understanding ignored the fact that the major opposition to the domination of Eastern Europe by the working class was that of the working class, and so this opposition could become transformed into the genuine struggle for socialism. Therefore, the attempt to realise self-determination would become connected to the attempt to realise a type of society that was more progressive than that which was based on Stalinism. Grant suggests that what was occurring was a process of political revolution in Hungary, but this does not explain that what was occurring was an attempt to overcome all of the aspects of the repressive type of society. The formation of workers councils indicated the aim of developing genuine economic democracy, and so this would mean the possibility of socialism replacing the subordination of the workers to the bureaucrats within the relations of production. Such a development would represent a social revolution, and so the conception of political revolution does not explain what was occurring in an explanatory manner. Indeed, the only aspect that could have undermined this development was illusions in the more progressive character of Western capitalism. Consequently, the choice was between the restoration of capitalism or alternatively advance to the realisation of a social revolution. A political revolution would not have transformed the relations of production in terms of the standpoint of genuine socialism and instead would have been more limited in its objectives. In other words, a political revolution would only have ended the subordination of Hungary to the USSR. But what was the important issue was both ending the occupation of Hungary and enabling the working class to make significant progress in its ability to be able to define the character of society. In this manner the bureaucratic collectivist character of society had to be transformed by the process of advance to genuine socialism. This possibility would be connected to the ending of the domination of society by the Stalinist Communist party. Indeed even if we accept that the Eastern European countries were degenerated workers states the issue would still be defined in terms of the conception of a process of transformation that was based on the perspective of social revolution. This is because the change that was being proposed was not limited to that of a political revolution that would merely suggest limited improvements and modifications to the character of society but instead the social relations would be radically transformed. The domination of the bureaucracy would be replaced by a regime based on the principles of genuine economic and political democracy. Hence the actual character of the premises of the degenerated workers state cannot deny the aspects of exploitation and domination within society. This means that a process of genuine revolutionary change would imply the overcoming of these aspects in order to create a system based on the role of participatory democracy.

In other words, the conception of political revolution is effectively limited to regimes under capitalism, and so explains a process of radical change in which often authoritarian bourgeois regimes are replaced by a more democratic administration. This means that the perspective of political revolution when applied to the Stalinist regimes is problematical because it implies that the character of the economy is essentially progressive and so what is required is a radical process of political change in order to improve the character of society. But this process of change from the regime of the bureaucracy to one based on the principles of economic and political democracy cannot be realised without a process of radical transformation by the actions of the working class. This process would represent a genuine social revolution in which the character of the relations of production was changed and the political transformation would also be of a revolutionary character that would be more than a modification of the system. Such a development would effectively be a process of social revolution in which a system based on the domination of the bureaucracy was replaced with the rule of the working class. Hence the process of change would be more than that represented by a political revolution that maintains the character of society, but which results in important political transformations of society. In this context the nationalised economy would be completely transformed because the domination of the role of the bureaucracy which extracts a surplus from the producers would be replaced by the aims of the workers who would establish the importance of the role of their own imperatives in terms of the character of the economy. This would mean that the relations of production would be completely transformed, and so this type of change can only be characterised as the expression of a social revolution.

But Grant upholds his standpoint in terms of implying that there is a historic dynamic of change from the degenerated workers state to genuine socialism based on the progressive role of the economy. Only the bureaucracy attempt to oppose this process of transformation: “Nevertheless, under the planned economy, formerly backward Russia had developed industry, science and technique to a point where the material conditions now existed for the beginning to move in the direction of socialism, which, as Marx explained, requires a level of development at least as high as the most advanced capitalist country. Now the Soviet Union was within striking distance of drawing level with the USA. Only the bureaucracy stood in the way.”(p267) But it could be argued that the advanced capitalist countries have a level of the productive forces that expresses the material basis for socialism, but this does not mean that the possibility of social change will automatically occur. In relation to the USSR the increased development of the productive forces only expressed possibilities for a higher process of social change, if this change was to occur it would require the conscious role of the working class with the aim of genuine socialism. The problem was that the very Stalinist system had discredited the aim of socialism because this standpoint represented the ideology of the Communist party. Hence there had to be the generation of the influence of the approach of authentic socialism, and this was a difficult possibility because of the repressive regime. Instead in this situation the influence of the aims of capitalism were the expression of opposition to the system. The only viable alternative to Stalinism seemed to be democratic capitalism. In this situation the approach of Marxism was discredited and the possibility to develop support for an authentic Marxism was very difficult. Hence any discontent within society did not result in a situation of increasing support for what would be a principled revolutionary approach. There was the need to create a genuine Marxist party, but this possibility was very difficult in a situation of repression. But could it be argued that the dynamics of the economy could result in a process of change as argued by Grant? To some extent this is a valid view to the extent that it would become understandable to people that the economic progress that had been made could result in the possibility of a more advanced economy that was related to the role of a genuine form of political democracy. But there was nothing automatic about the realisation of this possibility because the Communist party would consciously act to undermine the ability to establish this type of dynamic. Indeed, when economic crisis occurred in the Gorbachev years this did not result in the popular articulation of a socialist alternative but instead led to the influence of the view that what was necessary was the promotion of the role of capitalism. The lack of the importance of a genuine Marxism in this situation, and the problems involved in the creation of a principled revolutionary party, meant that when an acute crisis did occur the influence of capitalism was what resulted. In these terms there was no inherent dynamic to replace the character of Soviet society with the progressive alternative of socialism. The problems in the development of class consciousness, which was connected to the inability to develop a revolutionary party, meant that the discontent of the 1980’s resulted in a momentum in which the restoration of capitalism became the most likely alternative to the system. These developments indicated that there was no inherent connection between the role of the nationalised economy and the potential for revolutionary change. Instead of this possibility the discrediting of Marxism meant that instead what become popular was the aim of the establishment of a type of society that would have the advantages of advanced capitalism. In this context Yeltsin was able to articulate this type of viewpoint. Grant refers to periods of working-class discontent that could have resulted in progressive revolutionary change. But the problem with this perspective is that he is unable to connect such instances to a credible process of transition to genuine socialism. Instead the bureaucracy was able to restrict the development of instances of discontent into becoming an expression of something more serious and which could have become a genuine expression of opposition to the regime. In general people supported the system, even if they had little regard for its ideological pretensions. The limitations of the nationalised economy did not generate the possibility of revolutionary change because of the atomisation of the population in economic and political terms. Instead people upheld their interests in terms of individual actions within the enterprise. In other words, the point being made is that instead of an inherent process of political change based on the dynamics of the nationalised economy the influence of the role of atomisation and authoritarianism had reactionary consequences. The ultimate result of this situation was the increased importance of the standpoint of bourgeois ideology and this could only increase the possibility that discontent would result in the possibility for the restoration of capitalism. It would only be possible to transform the situation if a genuine revolutionary party could have been created and this was impossible given the circumstances in which the rule of a single bureaucratic organisation was justified. However, such aspects did not mean that the realisation of capitalism was inevitable, because such a possibility would be determined in relation to the attitudes of the leadership of the Stalinist communist party. Only the advent of the Gorbachev regime, which was based on the aim of the introduction of the market, made this possibility more likely. But the Gorbachev era was also remarkable for the introduction of limited political freedom and this enabled the influence of genuine Marxism to be established, and also the discontent of the workers began to develop the possibility of more revolutionary type changes. Therefore, the restoration of capitalism was not a pre-determined inevitability and instead it depended on the complexities of the political situation. What ultimately determined the ascent of capitalism was the outcome of the coup by various party leaders in 1991, and the ascent of Yeltsin to power in this situation could not have been predicted. Hence the ultimate restoration of capitalism could not have been predicted and instead was the outcome of a collection of conjunctural factors. The ultimate cause of this development was the crisis that occurred within the communist party in the 1980’s. It is quite possible that different events may have resulted in a contrasting situation including the possibility of the advance of the aims of genuine socialism. In this context Grant eloquently outlines how this increasing situation of crisis was prepared by the Brezhnev period of stagnation and the failure of measures introduced by Gorbachev in order to try and renovate the economy. The illusion of expecting Gorbachev to transform the system is indicated to have been an illusion and so It was an opportunist fallacy to expect that Gorbachev would have led the process of political revolution. Grant outlines how in a situation of increasing economic and political crisis during the Gorbachev era the working class was unable to assert itself as an independent political force. Instead the issue became about which section of the bureaucracy would be able to impose its distinct perspectives onto the USSR. The coup led by a section of the party leaders in 1991 was not popular, but nor was the opposition of Yeltsin actively supported by the people. But the collapse of the coup led to Yeltsin’s ascent to power and the political strength of Gorbachev was undermined: “The whole balance of forces was radically altered by these events. The power rivalry between Yeltsin, the president of Russia and Gorbachev the president of the Soviet Union was over. In the struggle for power Gorbachev was marginalised. The imperialists piled on the pressure for the break up of the USSR and the move towards capitalism. It meant the collapse of Stalinism and the coming to power of a pro-bourgeois government under Yeltsin determined to push through capitalist restoration as rapidly as possible. The collapse of the coup led to an enormous strengthening of the openly pro-capitalist wing of the bureaucracy.”(p386) But it has to be said that the most important aspect that undermined any opposition to these developments was the reluctance of the working class to try and influence events in terms of the promotion of a principled attempt to realise a genuine form of socialism. This situation was connected to the lack of the role of a revolutionary party and the scepticism about the validity of the objectives of socialism because of the reactionary influence of a party elite that had claimed to be aiming to realise communism. In this situation the result was the formation of a bourgeois government under the leadership of Yeltsin which proceeded to introduce a process of de-nationalisation of the economy and the end to price controls. Grant argues that these types of measures did not result in the creation of a stable capitalist economy because of a situation of economic inefficiency and political discontent. This point would seem to be true, but in a sense the process of capitalism was being realised because of the inability of the working class to be able to provide a form of effective opposition to these developments. Instead the workers were demoralised because of a situation of generalised unemployment and the rapid development of the privatisation of enterprises. In these circumstances it has to be accepted that a type of Bonapartist capitalism was being established under the auspices of the autocratic Yeltsin regime. This situation was maintained by the role of possibly undemocratic elections and the limitations of the revived Communist party which was based on nationalism rather than making a principled appeal to the working class. However, it is also necessary to mention that in the recent period the process of the restoration of capitalism has stabilised because of the ability of the ruling class to be able to develop a system of political durability, which has been accompanied by the demoralisation of the working class. The result of this situation is that Russia has become the latest imperialist power that has been able to become a rival to the role of the USA in international terms. This development has been accompanied by the effective end of the system of bureaucratic collectivism in international terms and Cuba has become the latest country that is effectively in the process of restoring capitalism and so becoming part of the world economy.

However it is necessary to suggest that these developments have not been because of the supposed opportunist limitations of the Gorbachev leadership but rather because of the inferiority of bureaucratic collectivism when contrasted with the more advanced system of capitalism. This situation meant that there was always a dynamic within the system that would result in the possibility of the restoration of capitalism. This situation acquired its most intense dimensions under Gorbachev, when the USSR had to try and reconcile the aims of the economy with the cold war pressures being exerted by the USA. The point is that the inferior development of the productive forces achieved under the bureaucratic system meant that there was a tendency to try and overcome these limitations by the introduction of measures that would enhance the role of the market within the economy. But such measures would inevitably prove to be unsatisfactory because they could not resolve the issue of the inefficiency of the process of production. Instead the contradictions of the economy would be intensified. But the genuine alternative of socialism could not be advocated because that would mean the demise of the role of the party elite, and so increasingly the perspective of the restoration of capitalism became to seem plausible. Indeed, this approach became the standpoint of Yeltsin. However, the introduction of capitalism was not inevitable, and instead it required a situation of acute political crisis for its success. Indeed, the process of the introduction of capitalism was not inevitable because it led to immense unpopularity for the Yeltsin regime, but the problem was that the opposition was not based on a coherent perspective of democratic socialism. Instead the opposition knew what they were against, but they had no conception of what to advocate as an alternative. Grant outlines the limitations of the opposition to Yeltsin in an impressive manner, and he outlines that what is politically required is a return to the influence of the approach of Marx, Lenin and Trotsky. However, there is an important limitation in his approach: if the degenerated workers state was genuinely efficient in its ability to develop the productive forces because of the apparent superiority of nationalised property relations, why did the economy become so inefficient and receptive to the possibility of the restoration of capitalism? The only answer of Grant in relation to this question is to blame the opportunist and elitist limitations of the leadership of the Soviet communist party. But such a subjective approach does not tackle the problem of the lack of dynamism of the economy which constantly generated the tendency for the possibility of the restoration of capitalism. Ultimately the bureaucracy did not have any genuine confidence in the system because they understood its limitations. As a result, they were increasingly in favour of measures of improvement that implied the necessity to try and introduce measures that were based on the imperatives of capitalism. Ultimately this tendency led Yeltsin to advocate the restoration of capitalism. In this context Gorbachev could only adapt tor this standpoint because he accepted the apparent inferiority of the bureaucratic economy when compared to capitalism. It is also important to indicate that nobody was effectively advocating the aims of socialism, because it was accepted by everyone that the present system was socialism. This ideological illusion made people increasingly receptive to the aim of the actual introduction of measures that would result in capitalism. Such a situation was also made possible by the lack of a revolutionary alternative based on the advocacy of genuine Marxism. Indeed, the Communist party became the instrument of right-wing populist forces who had a Russian nationalist approach. The forces of genuine proletarian internationalism were not present. In this context the coup of various party leaders in 1919 was a futile gesture, and it was based on no perspectives or policy. It could not succeed. The result could only be the success of Yeltsin, and in this manner the introduction of capitalism became inevitable. It can be suggested that the demise of the system was increasingly inevitable because of inherent economic and political limitations which meant that advanced capitalism seemed to be a more progressive system. Ultimately it was the inability to create a credible revolutionary party that meant the outcome of the crisis in 1991 could only be the victory of Yeltsin. This development was not because he was genuinely popular and instead was the result of the fact that he had a policy that could provide an alternative for resolving the important economic problems of the USSR. But his actual administration was a failure. The political stabilisation of the system in Russia has only occurred in the recent period, and this is because Russia has developed a coherent ideology which combines the perspective of imperialism with the promotion of state capitalism. In contrast the era of Yeltsin was one of crisis, and so the possibility to introduce a stable capitalism was often in doubt. Only in the recent period has capitalism effectively replaced the bureaucratic mode of production.

In order to uphold his standpoint Grant contends that the character of a bourgeois regime undergoes the process of transformation into many different political regimes. But the point is that the variety of these forms of different political societies are compatible with the interests of the capitalist class, and indeed the bourgeoisie is prepared to accept the variety of regimes because they all contribute to the interests of upholding the aims of an economy based on the private form of generation of capital. But in contrast the character of a worker’s state can only be connected to the promotion of the role of economic and political democracy which upholds the interests of the working class. If this situation is not present, then what could be defined as a degenerated workers state based on the domination of the role of a party and bureaucratic elite can only be of a temporary character. This means that the situation can be resolved in the progressive manner of the creation of a genuine type of workers state or else the process of regression to a new form of society based on the interests of a new type of ruling class will occur. In relation to the USSR it can be suggested that a form of the degenerated workers state was present during the period 1918-28, and this was based on the domination of the role of the Bolshevik party. It can be suggested that this party acted generally to try and enhance the realisation of the interests of the workers and peasants. But increasingly the party became opposed to the interests of international proletarian revolution, which could have been the based to transform the internal situation of the USSR. In this context the bureaucracy became concerned to stabilise its domination of society and so this required the repression of the peasants in order to undermine any important influence of capitalism within society. There was also no suggestion of the importance of any form of economic democracy, and instead the workers were subjected to the aims of the process of the accumulation of a surplus that was expropriated by what had become a bureaucratic class. In a sense, Grant does not deny this development, but he still contends that this process was based on the role of what had become a degenerated workers state because of the progressive importance of the nationalised economy. But what this standpoint does not clarify what are the objectives of the nationalised economy, and in whose interests did they serve. Instead in a vague manner he implies that ultimately the interests of the working class were upheld in this situation of the importance of the role of the nationalised character of production and distribution: “The ruling bureaucracy based itself on the nationalised planned economy and played a relatively progressive role in developing the productive forces, although at three times the cost of capitalism, with tremendous waste, corruption and mismanagement, as Trotsky pointed out even before the war when the economy was advancing at 20 percent a year.”(p448) Hence the conception of proletarian Bonapartism implied that the character of what is defined as a progressive type of social formation is essentially of a progressive character, which implies that the role of the bureaucracy is to act in order to uphold the interests of socialism in an indirect and elitist manner. It is this approach which is illusory. This is because the period of what was a genuine degenerated workers state, which could be said to occurred between 1918-28 was ended by the role of what was a Stalinist counterrevolution. The point is that the Stalinist regime could not be stabilised by the continuation of a degenerated workers state because of the increasing antagonism between the contrasting interests of the workers and peasants when compared to those of the party elite. This contradiction could only be resolved by the creation of an economy which was able in a more effective manner to create a surplus that could be acquired by the bureaucracy. This does not mean that an efficient type of economy was developed because the bureaucracy lacked the dynamics of a capitalist type of society which was able to accumulate a surplus in an effective manner. However, Grant ignores providing any discussion of the relations of production of Stalinist society because he implicitly recognises that it would result in the acceptance of the development of the process of exploitation of the producers by what has become a new ruling class. Instead he has to vaguely suggest that the progressive character of nationalised property relations implies that the system is not based on the development of new forms of exploitation within the process of production.

In relation to his approach, how can he explain the process of the restoration of capitalism in Eastern Europe and the USSR? His answer is to imply that a bourgeois wing of the bureaucracy emerged with this perspective, but this does not establish the reasons for the increasing support of the process of the replacement of the nationalised economy with capitalism. This is because his approach would imply that the bureaucracy had an implicit connection with the continuation of the nationalised economy because of its aim to uphold the role of the degenerated workers state. Instead of this dogmatic view we would suggest that the increasing problems of the nationalised economy implies that it has become necessary to support the possibility for the dynamic development of the process of production in terms of the restoration of capitalism. Indeed, it has been the increasing problems of the nationalised economy during the 1980’s which has led to support for this perspective within the bureaucracy. Furthermore, this development was facilitated by the failures of the attempts of Gorbachev to revive the economy in terms of the introduction of policies based on the increased influence of the market. These measures only contributed to the increased failure of the economy, and so it became apparent that what was required was the realisation of a process of change to capitalism if the interests of the ruling elite were to be maintained. But this understanding caused political tensions because some of the elite did not support this perspective and the result was crisis within the USSR during 1991. The outcome of this situation was the formation of a pro-bourgeois regime that was based on the interests of the restoration of capitalism. In contrast to this standpoint, Grant contends that the situation was based on the increasing crisis of Stalinism because of growing economic problems, which implies that the nationalised economy was based on increasing limitations. But Grant does not satisfactorily explain this situation apart from the vague view that there was a crisis in the development of the productive forces. But what did this situation occur? Instead of this ambiguous standpoint we would suggest that what occurred was because of the increasing intensification of the problems of the nationalised economy which could no longer satisfactorily realise the needs of the people. The result of this situation was a growing dissatisfaction that resulted in the possibility of revolutionary change. In this context of economic and political instability the necessity for the transformation of the relations of production, and the introduction of capitalism became to be a necessity. Indeed, the bureaucratic mode of production was increasingly inefficient and unable to realise the material needs of the people. In this context of increasing economic and political instability, the situation became increasing favourable to change to either genuine socialism or the restoration of capitalism. In this context the bureaucracy became to favour capitalism in order to oppose any possibility of socialism. Grant is right to suggest that in a situation of economic stability the bureaucracy was confident about being able to uphold its rule. But this did not mean that the productive forces were being developed in a dynamic manner. Instead it meant that in some limited manner it was possible to realise the basic needs of the people, even if this had an inadequate form. Primarily the system was maintained in terms of the role of a repressive political system. Therefore, it was a generalisation to suggest that the Stalinist system was characterised by a general development of the productive forces, and this expressed a progressive aspect of the system. Instead the system was based on economic inefficiency and only in a limited manner was it possible to uphold the interests of the working class. This situation meant that the possibility of either the realisation of socialism or alternatively of capitalism were an aspect of the limitations of the bureaucratic regime. These possibilities became increasingly acute with the crisis of the 1990’s. The system was in an economic and political impasse, and in this context the aspirations for the realisation of the alternative of capitalism became popular. Unfortunately the alternative of socialism had been discredited by the fact that it was the official ideology of Stalinism. In this situation the possibility of capitalism became likely because of the increasing crisis of the bureaucratic economy. But Grant has difficulties in explaining how what is considered to be dynamic system, which is based on the expansion of the productive forces, can enter into crisis. Instead his answer is unsatisfactory because he can only emphasise the corrupt character of the bureaucracy. He cannot indicate what are the inherent limitations of the economy.

Ultimately his approach is based on a contradiction because he has to accept the importance of the increasing limitations in the development of the productive forces. He comments: “From the standpoint of Marxist theory, a new ruling class can only emerge and establish itself on condition that it develops the means of production. We have shown that the reasons for the collapse of Stalinism was that it was no longer able to achieve growth rates higher than the advanced capitalist economies. Towards the end it did not develop the means of production at all.”(p468) But the problem with this view is that is only explanatory in a limited manner because the assumption is that the nationalised economy is inherently dynamic and so should be able to develop the productive forces in an efficient manner. So why did a situation of economic crisis occur? There does not seem to be a satisfactory explanation in Grant’s approach, apart from the emphasis on the inefficiency of the bureaucracy and its tendency to be corrupt because of its privileged character. But we would suggest that the problem is the ultimate inefficient character of the bureaucratic mode of production which means that it has a consistent inability to be able to develop the productive forces in a manner that is superior to capitalism. Hence this means that the economic system is ultimately not superior to capitalism, and so there is a constant tendency for the impetus to replace the economic system with the domination of the private mode of production. This pressure became acute in the 1980’s because of the inability to realise the success of the introduction of the market mechanism because of the problem of the role of the bureaucratic character of the economy. It became obvious that what was required was the realisation of capitalism if the possibility of economic advance was to occur. In this context many sections of the bureaucracy became supporters of the aim of the restoration of capitalism. But such a development cannot be explained by Grant because his approach is based on the conception of the inherent superiority of the nationalised economy of the degenerated workers state. Therefore, he can only accept that this type of economy could enter into crisis by effectively ignoring his understanding about the superiority of the nationalised form of production and instead emphasising the limitations of bureaucratic mis-management of the means of production. Hence, he effectively accepts that what was apparent was the limitations of an inferior bureaucratic mode of production. Ultimately, he accommodates to the view that the situation was characterised by the inferiority of what was an economy dominated by the party elite when contrasted to the greater dynamism of capitalism. The view that the nationalised economy of a supposed degenerated workers state was superior to that of capitalism cannot be sustained. Instead what was apparent was the role of an unviable mode of production that also expressed the increasing tendencies to be replaced by capitalism. Indeed, this situation was recognised by all those members of the communist party of the Soviet Union who increasingly advocated the role of the market in the 1980’s. This standpoint was an acceptance that the bureaucratic economy could not develop the productive forces in a manner that was superior to that of capitalism.

The actual position of Grant is expressed by the following comment that upholds the view that the nationalised economy was superior to that of capitalism, but its advantages were undermined by the role of the bureaucracy: “The productive forces of Russia were artificially constrained by the bureaucratic system. They had developed to a tremendous extent thanks to the nationalised planned economy, but were effectively sabotaged by the bureaucracy. The only way the problem could be solved was through the democratic control and administration of the working class, as Lenin had intended. This could have been achieved on the basis of the advanced economy that existed in the 1980’s. But the bureaucracy had no intention of going down that road. The movement towards capitalism did not arise from any economic necessity, but out of fear of the working class, and as a way to safeguard the power and privileges of the ruling caste.”(p469) But this comment does not make sense. Why would the bureaucracy undermine the develop of the productive forces if this was an inherent possibility of the nationalised economy? How could they benefit from such a regressive and apparently irrational form of action? Instead we have to suggest that there were various limitations to the bureaucratic nationalised economy which meant that there were inherent problems which undermined the ability to develop the productive forces in a dynamic manner. The overall situation was that of an increasingly stagnant economy, and so the result of this situation meant that the party elite was increasingly in favour of drastic modification of the economy, or even the introduction of capitalism, in order to try and create the conditions for genuine economic progress. It was actually the failure to develop the productive forces which created an impetus to promote the possibility of change and so bring about the realisation of the alternative of capitalism. Such a development was not motivated by distrust of the working class because this social class did not represent a genuine political type of opposition at this time. Instead it was the overall economic and political malaise of the bureaucratic mode of production that generated the impetus to advance the aim of realising the domination of capitalism. Gorbachev tried to promote this standpoint in the reformist terms of market socialism, but this perspective was never credible because it would have implied the genuine realisation of socialism as an alternative to both the bureaucratic mode of production and capitalism. It was not possible to establish conscious working-class support for market socialism because of the lack of class consciousness, and instead the issue became that of the imposition of authoritarianism or else the explicit restoration of capitalism as represented by Yeltsin. These developments were not motivated by mistrust of the working class, contrary to Grant’s views, but instead as a result of the general stagnation and inefficiency of the economy. Increasingly the bureaucracy became supporters of capitalism because of the acute limitations of the bureaucratic system which could no longer generate an adequate surplus. Therefore, in order to create an economy that was more dynamic it became accepted that what was necessary was capitalism. However, the Communist party was split over this issue because some of them supported the continuation of the present bureaucratic economic system. Only the ascent of Yeltsin to power resolved these issues because this result in a government that was determined to introduce capitalism. The role of the working class was never a factor in this situation because it was disorientated and lacked the level of political consciousness in order to make an intervention. This meant that the bureaucracy did not act out of mistrust of the workers and instead because of the increasing contradiction between the requirements of the productive and the inherent limitations of the bureaucratic relations of production. Grant argues that Russian capitalism has tenuous potential because of an inherent inability to develop the productive forces. But this point has only proved to be correct for the Yeltsin era. The increasing political stabilisation of the bourgeois regime has enabled limited economic growth to occur. This has meant that capitalism has become able to achieve a situation of generalised development, and the working class has not become able to develop its own independent organisations that could pose a challenge to the system. Indeed, Russian capitalism has become politically durable because of the ideology of imperialism. Therefore, Grant’s view that capitalism has not become consolidated in Russia because of its inherent limitations and reliance on the role of world imperialism has proved to be a premature view. Instead the uncertainties of the Yeltsin era have been resolved, and the period of economic upheaval that this situation expressed, is overcome by the onset of the realisation of the development of a type of Russian monopoly capital, and its support by the role of a strong state. This means that Grant’s contention that under Yeltsin the social formation represented a hybrid state in which the role of the old style bureaucracy was combined with the aspect of the importance of capitalism has definitely been resolved in terms of the generation of the role of a stable capitalism. Indeed this process was always likely to happen because of the limitations of the bureaucratic mode of production.

In other words Grant underestimated the limitations of the bureaucratic system that facilitated the process of the restoration of capitalism. He comments: “ultimately the victory of capitalism in Russia will be determined by the existing property relations. The process of capitalist restoration has begun, but it is not yet decisively resolved, and will not be resolved until the struggle between the antagonistic groups and classes has fought to a finish – one way or another. Is it correct to say that the movement towards capitalism is already irreversible? The strategists of capital do not think so, and neither do we.”(p494) But the problem with this view is that it ignores the lack of willingness of the working class to defend the nationalised economy, and so underestimates the ability and capacity of the emerging capitalist class to introduce the forms of capitalism in terms of the role of privatisation and the generation of mass unemployment in order to produce a situation of profitable industry. The result of the standpoint of Grant is that he over-estimates the ability of the working class to act in its own interests to oppose the process of the restoration of capitalism. What he ignores is that because of the very ideological limitations of Stalinism the conception of what is meant by the revolutionary role of the working class became distorted and undermined. This was connected to the atomisation of the workers that occurred within the character of the bureaucratic mode of production. Therefore, in the situation of the privatisation of the economy the workers were unable to collectively act to try and defend their class interests. Instead the emerging capitalist class was able to go onto the offensive in order to introduce the various forms of what constituted a capitalist economy. But Grant ignores these developments and instead predicts the increasing development of a new mass and militant working- class movement that will be able to effectively oppose the process of the restoration of capitalism. Indeed he predicts that it may be possible for the re-emergence of the domination of Stalinism or alter alternatively proletarian revolution may occur. These predictions are dogmatic and ignore the actual success of the emerging Russian bourgeoisie to be able to realise the restoration of capitalism. The very reactionary legacy of Stalinism means that the aim of genuine socialism has been discredited and so most people cannot consider that an alternative to capital had become possible in the early 1990’s. Instead of this realistic understanding Grant outlines an antiquated political perspective: “What is the most pressing task of the Russian workers at the present time? To prevent the nascent bourgeoisie from liquidating what remains of the historical gains of October; to prevent the capitalist enslavement of the working people of Russia; to stave off the impending social catastrophe which threatens to push a large part of the people into physical and moral barbarism. The focal point of this struggle can be stated quite simply: The essential task in Russia is to defend state property against the nascent bourgeoisie, while simultaneously fighting for workers democracy.”(p527) But the problem with this perspective is that it is considered that the issue of the restoration of capitalism had not yet been decided in the mid 1990’s. This ignores the actual problem that the working class had which is that whilst it was opposed to the measures associated with the restoration of capitalism, they also knew that there was nothing progressive expressed by a return to the previous bureaucratic nationalised economy. Thus, the working class was on the defensive because it lacks any credible conception of a progressive economic alternative such as a viable conception of socialism. This means the result of what was a political crisis of the working class in the former Stalinist countries resulted in a situation in which it could not articulate an alternative to the restoration of capitalism. The result of this situation meant that it was on the defensive, and this meant that the emerging bourgeoisie was effectively unopposed when it dissolved the nationalised economy. In this context the influence of genuine Marxism was miniscule and the conception of what was a revolutionary standpoint had little support. Thus the ideological crisis of the working class enabled the process of the restoration of capitalism to occur in a largely successful manner. The same point can be said about Eastern Europe. Therefore Grant’s conception that the restoration of capitalism had not been successfully completed in the mid 1990’s was a dogmatic and false standpoint.