

## **PERESTROIKA AND THE PROLETARIAT**

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Like most western leftists of our generation, we became socialists despite the Soviet example of authoritarian Communism. We had little patience with an earlier generation given to be more apologetic for many of the events that amounted to a tragic and terrible aberration of socialist ideals. But while we celebrated the turn to political freedom in the USSR since Gorbachev, and the revolutions in Eastern Europe in 1989, we were at the same time disturbed that the trajectory of change appeared towards capitalism. Was a transition to democratic socialism at all on the agenda, if not in Eastern Europe, then at least in the USSR? The answer mattered in terms of the scope for socialist politics in the West. Having been hamstrung in our politics (among many other reasons) by the negative example afforded by authoritarian Communism in the East ("See what socialist revolution leads to!"), were we now to be hamstrung again by the collapse of authoritarian Communism ("Even they have opted for capitalism!")?

With these questions uppermost in mind, we undertook a visit to the Soviet Union in June 1990. In addition to the perspective afforded by meeting some of the intellectuals, journalists, academicians, political leaders and activists who compose Moscow's political class, we especially wanted to see what impact the process of political and economic change was having on workers, and what role they were playing in the process, as this might be revealed in terms of the activities of the party, the trade unions, the informal workers committees and the relation between managers and workers in the enterprises. To this end the Institute of the USA and Canada, our hosts in Moscow, cooperated with the international department of the Automobile and Farm Machinery Industries Workers Union in arranging visits to Yaroslavl (about 400 km. east of Moscow) where a major strike had taken place at a large diesel engine plant in 1987, and to Togliatti (1,000 km. south of Moscow) where the Lada is produced in the largest automobile plant in the world. Although some accounts of the dramatic developments among Soviet miners have been offered by western visitors, there have been very few accounts of

visits with workers in other industries. Although we ran the risk that we might be treated to a traditionally misleading tour of union-run polyclinics and pioneer camps, the days we spent in Togliatti and Yaroslavl with a remarkable new generation of local union leaders were extremely revealing. As socialists in the West observe the transformation of the USSR, hope blends with trepidation and often turns to dismay as events unfold. What makes what we saw of continuing relevance is especially this: among the many different struggles that are transforming the Soviet Union today, not the least important is the class struggle. And it inspired us to see, whatever else we saw that pointed in very different directions, that the capacity for struggle on the part of workers still renews itself, as so often in the past, by opening itself to and reaching for a democratic socialist vision and purpose. <sup>1</sup>

### *1. The Culture of Glasnost*

Five years after Gorbachev's coming to power, the most visible and important change remains *glasnost* itself. A remarkable discursive "openness" stands in sharp contrast to the strong sense of constraint a visitor could palpably feel disfiguring even private conversation in the earlier era. The confusing (and often just plain confused) profusion of new movements, parties and workers' groups reflects a high degree of politicization amidst this absence of discursive constraint. Indeed, one sociologist told us that surveys have revealed that Soviet society was increasingly polarizing into two camps, defined in terms of their positive or negative orientations to the politicization itself. On one side are the "activists"; on the other are the "active non-activists", whose insistence on their right to be left alone to tend their own garden has to be no less militantly asserted in the face of the overall trend to politicization.

Outside the offices of *Moscow News* a hundred people crowd the sidewalk debating politics, amidst a profusion of hawkers of crudely printed newspapers ("Read all about it: How much Raisa Gorbachev costs the people!"). Some of these papers are religious, some are pornographic, yet all of them are politicized if only by virtue of the novelty of their relatively unhindered distribution. But what is especially important to register is that the street culture of *glasnost* is as commercial as it is political. The profusion of craft and artist stalls on the *Arbat* or at Ismaelovsky Park gives Moscow some of the vibrancy that was so notably absent in the past. Yet this directly blends with some of the most *unsavoury* aspects of the kind of market freedom we know in the West. There are, near the *Arbat*, many beggars pathetically attempting to scrounge a few kopeks by turning pity for their physical handicap or the visible impoverishment of their

children into some sort of exchange value. Rather more pleasantly interspersed among the stalls are many buskers, such as a **jazzband** playing with gusto Dixieland renditions of Glen Miller's greatest hits. (The quality of their music is actually much higher than the no less derivative rock music videos that occupy all the air space on daytime television.) Reflecting a far more traditional aspect of Russian culture, a much larger crowd gathers amidst the stalls to hear a poet declaim his verses in the richest of Russian tones. His poems are all political and all splenetically anti-regime. One anti-Gorbachev poem in particular, in which he does a quite brilliant satirical take off of the man himself, produces rapture from the crowd. The crowd includes a clutch of young men in militia uniform who, far from taking notes or making arrests, display in their laughter and applause as much appreciation of the poet's sentiments as every one else.

Thus does the politics of glasnost blend with the commercialism of glasnost. Indeed, among the crafts on the stalls themselves the hottest new commodity, produced by hundreds of political-artistic entrepreneurs in an array of styles ranging from the most crudely painted to some of high artistic quality, is the "Gorby" doll. Like the traditional Matrushka, it opens up to reveal a succession of dolls inside. Inside Gorbachev one invariably finds first Brezhnev (usually bedecked in his military medals), then Khrushchev (the one we bought is carrying a shoe), then Stalin (ours has a pipe in one hand and, held behind his back, a bloody dagger in the other), then finally, inside Stalin, there is always a tiny Lenin, looking sage or stunned, benevolent or evil, according to the whim, ideological orientation or sense of consumer demand of the dollmaker. Jonathan Steele (*The Guardian's* correspondent) has bought one of these that goes further: inside Lenin is Czar Nicholas, and inside Nicholas, Peter the Great. He tells us that he has seen others which have a tiny proletarian inside Lenin, and inside him — a traditional Russian muzhik!

As already may be gleaned, Gorbachev is little revered (to put it mildly) in this culture of glasnost. Muscovites especially (one heard this less in Togliatti or Yaroslavl) are disdainful of the adulation they sense he is accorded abroad. The things for which we would give him credit, for inaugurating glasnost itself or for a foreign policy explicitly designed to undo the knots in which the world has been tied by Cold War attitudes and structures, don't seem to impress people at home. Instead there is the lament (more often the complaint) that after five years he has "done nothing". What is meant by this is, first of all, that he has accomplished nothing to improve the domestic economic situation, above all the economy of consumer shortages; and, second, that the system of privileges for the bureaucratic-administrative elite, the old Communist "nomenklatura", still remains in place. Yeltsin's

popularity rests largely on his insistent speaking to this latter theme.

The main test appears to be how quickly life is finally becoming "normal". This is a word much used to describe what people want ("a normal society", "a normal economy", "a normal life") and by this is mainly meant how they perceive most people to live in the United States. There is a strong sense of inferiority to all things American. People especially feel humiliated by their experience as consumers — "We feel this every time we go to the store", Len Karpinsky of *Moscow News* told us. The failure to catch up to America through a statist mode of parallel development has led to a widespread determination to catch up through emulating the American way.

But the American way is a composite of many things. And one sometimes feels that what they may be heading for could well look like the Chicago gangsterland in the 1920s that Brecht so brilliantly used as a backdrop to satirize the roots of fascism in his play "Arturo Ui". The culture of *glasnost* has opened new space for corruption, even as it has led to the exposure (and some prosecution) of some of the more sordid corrupt practices of high officials. As a means of coping with consumer shortages, petty appropriation was always commonplace and remains so: only the minimal surreptitiousness with which this is now done is reflective of *glasnost*. But the half-way house that cooperatives occupy between the market and statist modes of distribution has created new forms of corruption. We were assured by two knowledgeable economists, both very pro-market, that the shortages in the state shops had much more to do with corruption than anything else. According to one example: 500 pounds of meat arrives at a **state**-run shop and three hundred pounds of it will immediately be sold illicitly at a premium by the manager to a "cooperator", leaving only 200 pounds (or less depending on what informal system exists for the employees to appropriate their take for themselves or friends and relatives) for general distribution in the state shop at the low official price.

There was much talk in Moscow of the mafia as a power in the land, thriving in this half-way house. This seemed to confirm the boasts of one proud self-proclaimed gangster sitting at the hotel restaurant table beside us on our first night in Moscow, who ventured to inform us that the most important thing we needed to understand about his country was that nobody obeyed the law — that the system only worked in so far as everyone broke the law. We wondered, that first night of our trip, when one prostitute telephoned directly to our hotel room at 1.30 am., and yet another at 5.00 am., ("You Canada? Very nice! I come to your room?"), whether this was the pimp who ran the scam of paying the front desk of the trade union hotel to inform him of the telephone numbers of the rooms occupied by the

labour — compared with that existing under capitalism — of voluntary, class conscious and united workers employing advanced techniques. Communist subbotniks are extraordinarily valuable as the *actual* beginning of *communism*. . .<sup>1</sup>

It perhaps says more about the actual demarche of Soviet Communism than anything else that these "Communist subbotniks", institutionalised as they were by management and unions over the ensuing decades throughout industry, have come to be called "Black Saturdays" by the workers themselves. Victor Reuther (who worked in the early 1930s in Gorky before going on to help found the United Auto Workers in the United States) told us that workers had a song in the 1930s, "We are just cogs in the big machine", and that they loved it and sang it enthusiastically on their way to work. Be that as it may, the image such a song conjures up, in the decade of Stalinism's greatest advances in terms of industrial productivity at the greatest human cost, is certainly very different from that of the free voluntarist working class subject of history which Lenin saw in embryo in the Communist subbotniks. Gorbachev's own "new beginning" sought to break definitively with Stalinism not only for its inhumanity but because the "big machine" could not continue to meet the definition of the Communist project as minimally set out by Lenin in terms of the "higher productivity of labour. . . employing advanced techniques". But far from unleashing the missing agent of "the conscious and voluntary initiative of the workers", which inspired Lenin's definition of Communism, the opening provided by Gorbachev rather was taken up by workers as an opportunity finally to rid themselves of the hated "Black Saturdays".

The issue came to a head in Yaroslavl late in 1987 when the management of the diesel engine plant put forward the work schedule for 1988. In the face of evident worker resentment with the Subbotniks (management had always found them useful at the end of each month when they were scrambling to meet planned production quotas — this was known as "storming the plan") their number had been reduced from 21 in 1986 to 19 in 1987. For 1988, management proposed to reduce the number of Black Saturdays to 15 and to compensate for them by reducing the basic weekly shift by 10 minutes off the eight hour day. It seems the workers were hardly surprised when the trade union committee endorsed management's plan, but when the new collective council did so, this so manifestly frustrated the expectations raised by the newly established "participatory" structure (in a classic example of cooptation, the director general of the plant had managed to get himself elected as chairman of the council) that this was the spark that started the strike. The strike, replete with mass meetings at the plant gates and marches to the director's office, was led by an informal group of rank and file

workers. Notably, with the trade union committee effectively sidelined as a cipher of management, the **1987** Law also laid the basis for the resolution of the dispute. The Law had provided that in extraordinary circumstances workers might call for a general assembly of the entire labour collective, and during one of the confrontations between the strikers and the general director it was agreed that the issue would be put to **700** delegates directly elected by workers from the various sections of the plant. It was at this meeting that a compromise was arranged — with the director guaranteeing that there would only be eight Black Saturdays in the **1989** work schedule. This strike received considerable attention in the Soviet press. An opinion poll by *Izvestia* found that **69%** of the worker respondents approved of the stand the Yaroslavl workers against Black Saturdays.<sup>1</sup>

One of our main interests in visiting Yaroslavl and Togliatti in **1990** was to try to see what had happened with the new structures of industrial democracy that had only just been established in the automobile industry when the **1987** strike took place. Little did we know, when we arranged the visit, that on the day after we arrived in the Soviet Union, a new Law on Enterprises would be passed which would renege considerably on the powers given to the labour collectives in the **1987** Law. Managerial personnel (except for brigade leaders) were no longer to be elected by the collective, and ultimate authority in the enterprises was to pass to a new enterprise council based on parity representation between managers and workers. If the **1987** Law was inspired by radical Yugoslav self-management notions, the **1990** Law was clearly based on the more tepid example of West German co-determination. Perestroika had taken a clear turn, one which put less stress on the "voluntary, class conscious and united" participation of workers. The questions that immediately arose for us concerned why this shift had taken place and what the response of workers to it would be,

### *The Trade Union Central*

The official trade unions in the USSR have always been directly enmeshed in the ruling apparatus. Their leadership was a secondary, but by no means entirely powerless, element in the bureaucracy. They were conveyor belts downward to the workers of party, ministerial and managerial decisions; recruiting stations for those who showed the inclination and aptitude to rise in the hierarchy; organizers of worker passivity amidst ersatz displays of mass support. Their control of resources in the form of the considerable "social wage" (health clinics, housing, pensions, vacation camps, cultural centres) at the enterprise level — yielded them whatever social base they could genuinely claim (especially since wages were set centrally by the

ministries) and furnished the backbone of their power *vis-à-vis* workers — leaving aside, of course, the coercive apparatus they could call on to suppress dissent.

Today, the central trade union apparatus, the AUCCTU, is widely regarded as an "empty shell", a phrase we first heard from Kagarlitsky, but was repeated by the local union leadership in Togliatti, who added that it was "harmless, and perceived as irrelevant". They told us that throughout the auto industry, and in many others, the central union apparatus had lost considerable power to the locals. The national leadership knows that it must evolve a new role: "We are first year students in how to act as trade unionists," Alexander Kashirin, President of the Central Committee of the Autoworkers Union, told us. They are caught, as it were, in a pincer movement between their declining power in the party and *vis-à-vis* the Government, on the one hand, and the local unions' assertion of their independence on the other. But what new role does the central apparatus see itself as playing? At the moment, their orientation is mainly reactive and defensive. Kashirin told us that the AUCCTU accepted the market economy "in principle". He used a chillingly familiar phrase that we were to hear time and again: "There is no alternative." He confirmed western press reports that the leadership of the AUCCTU played an important role in the decision to hold a referendum on the price reform, their thinking being that it will only obtain popular approval if a package of compensatory laws designed to maintain living standards and "keep social stability" is introduced beforehand. "There is already much unemployment in Central Asia," he says, "and the market economy will put many people out of jobs everywhere." One of the laws that the unions hope will be passed by the Supreme Soviet would offer a guarantee of full employment, and provide for unemployment compensation and retraining. (But does not the latter suggest that they accept that the former guarantee will only be formal?)

Kashirin claimed that in the previous year, the AUCCTU had "done everything to prevent limiting the rights of working people in the enterprises". But the examples he gave all pertained to resisting price increases. No mention was made about working conditions, or health and safety, or technological change. Most significantly, the AUCCTU leadership clearly put up no opposition whatever to the new Law on Enterprises despite the fact that it considerably retracted the democratic powers that workers had formally been accorded in the 1987 Law. In terms very similar to what we were to hear later from the Deputy Director of the Autodiesel enterprise in Yaroslavl, Kashirin tells us that the collective councils in the enterprise "are no longer needed". There was much conflict

between the Councils and the local unions. On the other hand, they tried to "take over" management of the enterprise and encouraged workers to ignore managerial commands. He personally would like even the new parity council of the enterprise to be dominated by "specialists" in finance, technology, etc. Although this is not yet the official position of the AUCTU, measures to ensure this are "being discussed".

It is very clear that the official unions, at least at the national level, still define their role in terms of an alliance with managers. Kashirin tells us that the unions are not "eliminating the possibility of strike action", and are looking into the question of establishing strike funds. "For seventy years we were never able to even think of strikes. Now we are just learning the necessary skills involved. There are others who are ahead of us in this and are challenging us. But we see strikes as a measure of last resort. Each strike hurts another part of the working class. For this reason, we accepted last year the law on strikes." This law goes well beyond Canadian labour legislation in restricting the right to strike.

Who are these others that are "ahead" of the official unions and challenging them in this respect? Although there are three other local organizations that have formed at the national level (SOTSPROF, the United Front of Working People, and the Russian Federation of Independent Labour Organizations, which held a founding conference in May 1990), it is by no means clear that any of these new centrals have significant organizational strength, nor that the latter two have very much independence from the old union leadership. Notably the local leaders and activists we met in two major industrial centres knew little or nothing about them. It would appear that in so far as there are any effective challenges to the old union practices, they primarily exist at the local level, except for the League of Miners. At this level there are many informal workers' committees working outside of the official unions. But we were told by one of the closest observers of the "informals" that in virtually all strong industrial areas the local unions (and often the local Communist party organization) have already been taken over by a new brand of activists and leaders; or at least bureaucrats have ceded much influence to them since they have to defend local interests to hold onto their positions.

### Togliatti

The three days we spent in Togliatti as guests of the Trade Union Committee of the Volga Automobile Associated Works (VAZ) provided us with an excellent opportunity to observe this new local unionism first hand. If the newly elected trade union leaders we met with there, almost all between the ages of 35 and 42, are "first year

students in trade unionism", they are among the quickest students we have ever met. Certainly in their economic and political intelligence and sophistication, as well as in their confidence as organizers and their openness to searching for new approaches and ideas, they outshone most trade union leaders in the West. Perhaps this is only a reflection of the kind of abilities that come to the fore in the working class when a society is in the process of transition. Perhaps it also says that, amidst all the repression of authoritarian Communism, some qualities of leadership of the kind that Gramsci best defined in the communist tradition were nevertheless seeded, even if not organizationally nurtured anywhere to the extent that they should have been. In any case, we formed the strong impression — only after pressing them very hard with questions that trade unionists in the West would certainly have considered impertinent — that the local leadership in Togliatti are very committed to becoming effective democratic representatives of their members' interests.

Togliatti is a 27 year old city on the Volga about 1,000 kilometres southeast of Moscow which is totally dominated by the VAZ empire of highly integrated assembly, parts, foundry and machine plants. By virtue of its concentration of all aspects of car production, it has always been highly independent of the central planning apparatus. The assembly plant's three parallel assembly lines stretch out for some three kilometres. It is organized like car assembly plants in North America were twenty years ago (i.e. when it was built with the help of Fiat) and the machinery, including the robots, while not necessarily of that vintage, are based on models that date back that far. VAZ produces 750,000 vehicles each year, about 40% of these are exported, and about half of the exports go to the West. It is in good part due to its direct access to hard currency that there is no consumer crisis in Togliatti. The enterprise shops are full. Only fruit was in short supply while we were there, and one of the union vice-presidents was about to travel to Georgia to secure supply.

The massive assembly plant, where we spent a half day and where we were free to talk to workers as we wished, is dirtier and noisier than plants in North America. Apart from this, the most striking difference is that at least half of the assembly line workers are women. In North America, the most gender integrated assembly plant has, at most, twenty percent women workers. Remarkably, many of the women are wearing sandals, while no one in a western plant would be permitted to go without protective footwear. A group of women on the line tell us that they put much more effort into their work than the men do. When we turn to the men who hear this and ask if this is true, they laugh and say: "Of course!" At breaks one generally sees men and women sitting separately, but not always, and it is obvious that

some romantic attachments are formed at work. Indeed, one unforgettable scene on the line was of a young man and woman, having completed putting electrical wiring into the car frame that just passed their station, running around to each other for a passionate kiss before the next car made its way to them along the line. It appeared to us, although we can say nothing from what we saw about the incidence of absenteeism, that the workers are working harder than they do in North American assembly plants. No generalizations should be drawn from this, but it is nevertheless worth noting in light of the conventional wisdom that job security makes the Soviet worker lazy.

At a tiny shop stewards office near the cafeteria, a **55** year old male steward was meeting with three thirtyish women who were discussing their maternity benefits. He was the head of a group of thirteen elected stewards representing a section of **900** assembly line workers, and ten of the thirteen were women. Only the chief steward's position was full-time; he had been elected for a two year term and was not a party member. As we discussed the degree of activism and democracy in the union, he told us that his section was having a meeting the following Saturday to discuss the impending price increases and what the union should do about them; **300** delegates had been elected — one for every three workers — and on the basis of precedent (such meetings were held about once a month) he expected that about **280** would attend. He mentioned all this casually, as if there was nothing remarkable about such a form of delegate democracy. Could it be that, long buried beneath the Stalinist structures and practices, the **1917** revolution had left some legacy of direct and delegate democracy which was now coming back to life?

In Togliatti, all union positions, from the Chair, vice-chair and seven vice-presidents to the chief stewards in every shop (in the auto industry every **700** workers are allotted a full-time representative) have been elected in contested elections over the last two or three years. The system of open elections appears to have been sparked by the example of the elections for managerial personnel and workers councils inaugurated under the auspices of the **1987** Law on Enterprises, but it is not clear that this was the cause, rather than the moment of opportunity, for this change from the top-down system of appointments, nominations and ersatz elections in the past. In fact, the Communist Party Secretary at VAZ told us that the idea for the **1987** Law was born at a factory Communist party committee meeting in Togliatti in **1985**. This emerged out of a "strong feeling that the old system limited participation and productivity in so far as sole responsibility fell on management and the trade union bureaucracy and most workers had no way to participate in decisions on the

process of production". But the main change in labour-management relations in Togliatti pertains mostly to the behaviour of the union. In contrast with what happened in Yaroslavl, the union leaders dated their experience with "fighting management" back to a similar attempt to knock twelve minutes off each working day in exchange for "Black Saturday" work. It was the union that resisted this in Togliatti and managed to get the management to retreat on this completely without a strike.

It is clear that the new local party and union leadership are close allies. As with Gorbachev at the national level (although they are a generation younger), they did not stage a coup against the old leadership but rather developed within the local union and party organizations and waited for the retirement of the old guard. Most of them are skilled engineers and technicians (the traditional recruiting ground for industrial and political leadership) and many were Komsomol leaders 15 or 20 years ago. Thus as with Gorbachev, with whom they clearly share a common trajectory and perspective (these kinds of local leaders were clearly in 1985 his real political base), their rise is not a product of the new system of elections. Rather, they repeatedly insisted that the key thing about their being freely elected was that it gave them legitimacy among the workers, so that they could go to the workers with this or that initiative and say: "You elected me — now you have to support me."

The strongest material grounds for their support continues to rest on the considerable facilities run by the union in Togliatti: the massive cultural centre with its cinema, concert halls and library; the preventative health care and herb medicine clinic where 15,000 workers a year spend two weeks; the network of pioneer camps for the kids (staffed by auto workers — mainly women — who leave the plant for the summer months to run the camps). Moreover, these facilities are run in the spirit of *glasnost*. The staff at the pioneer camp told us that they have been completely liberated from the previous "narrow-minded" party control over their curriculum. A particular blessing was that they no longer had to waste the children's time and energy practising the songs that the party used to want them to perform for visiting dignitaries. Among the two million volumes loaned from the library in the past year, Nabokov — long associated in the Soviet Union with "decadent" literature and support for the Whites in the civil war — was the most popular of the authors. The cultural centre regularly sponsors rock concerts, although we were told that there is a serious problem in Togliatti with teenage gang violence — which was attributed to young people having too few cultural outlets in the city.

Of course, the union leadership enjoy perks that go with holding

office, not least the excellent meals we enjoyed with them and some opportunity for foreign travel. How many workers get access to the union-owned yacht on which we spent a pleasant few hours, or to the union mini-vans with their drivers which were at the beck and call of our hosts? One of these vans was equipped with a television, which was clearly a status symbol (and indeed not much more, since it only worked when the van was standing still). But these perks are probably not any greater, relative to their members, than most union leaders have in the West. When we told one of the vice-residents that we were going to ask workers on the assembly line **whether** they saw these new leaders as apparachiks, he said if they did they would be partly right, as they were the "new apparat" now. When we put this question to about a dozen men and women taking a break from the line, this immediately sparked an argument among them pro and con, but there was a general consensus that the leaders were more responsive for being elected. Another smaller group clearly didn't want to discuss the question, or any other, but rather preferred to be left alone to get on with their lunch. But this would have been the typical attitude we would have confronted had we bothered a group of workers with our questions during their break in a North American plant.

Below the top leadership level, there are some thirty elected committees representing different groups of workers in the vast VAZ enterprise, within which there is also a large network of elected shop stewards. We were told that 50% of those who hold union positions are women, which would reflect the gender composition of the workforce itself. But when we met a group of thirty who were the chairs and/or vice-chairs of these committees, only four were women. The chairman of the Trade Union Committee had asked us to open the proceedings by talking about unions and autoworkers in Canada. Hoping to steer the subsequent discussion towards these issues, we put particular emphasis on unemployment, restrictions on the right to strike, and problematic aspects in the relation between leaders and rank and file workers (the latter included a brief primer on Roberto Michel's "iron law of oligarchy" in working class organizations). A heavy-set man in his sixties opened the discussion with a question on how extensive the sports facilities were for workers in our car plants (clearly making a point thereby on how comparatively blessed their own workers were). He followed with a claim that the turn to markets in the USSR would not necessarily lead to unemployment due to the retraining schemes being planned. (While he was speaking the Chair of the Trade Union Committee whispered to us: "Not a problem in theory — but in practice?") The same man then followed with a statement which offered a defence of democratic centralism. He had not gotten very far in this before he was forcefully interrupted by the

vice-chair of the union committee in the foundry, a vivacious woman in her early thirties (most of the foundry's 9,000 workers are men), who insisted that we needed to know who was speaking. "That is the deputy director of the enterprise," she loudly proclaimed to much laughter and assent all around, and went on to insist that the thesis on oligarchy very much applied to the practice of democratic centralism. At this point we asked what difference the union elections had made and a 57 year old manual worker responded forcefully that over 27 years of working he had never held a union position because he wasn't a member of the party, but now he had been elected. The Chair of the Trade Union Committee in a parts plant then turned the discussion to the market, arguing that it would force the unions to take up the issues of protecting workers from the rise in prices, and looking at the Deputy Director, said they would be taking this up with the enterprise management. Notably, a number of questions were then put to us on how strike funds worked in Canadian unions.

There was, in fact, an interesting work action that very day in Togliatti. For all we were told about how the union had become more independent and far more active over the past two years, it is nevertheless significant that there is an informal workers' club in Togliatti which operates outside of the union. (Perhaps this was why the Chair of the Trade Union Committee refused to take any credit for the union's activism, ascribing it rather to the fact that "people were really active now, especially workers.") The workers' club had recently distributed leaflets putting forth a set of demands on improving the "work environment", and had challenged the union leadership to take these up with management. On the Friday before we had arrived the union had taken these demands to management and apparently gotten them resolved, inclusive of a promise to install equipment to control the level of emissions in the plant. But on the Monday morning, management had announced — without telling the union — that they might at the same time reduce wages by taking away the compensation given for working in poor conditions. On the following day, the union organized a "collective headache", with large groups of workers leaving their station to go to the medical staff. The union leaders were convinced that management had intended to sabotage the union, to teach them a lesson about not cooperating with the workers' club. But they were equally convinced that this was a strategic blunder by management, since the union was strong enough to win on this issue. Indeed the amount of time the union leadership spent with us on the very day this work action was going on provided some measure of their degree of confidence about the strength of their organization on the shop floor.

In general, the union leadership saw the workers' club as playing

"a very useful role". One described them as a "barometer", another as a "catalyst". Since so much of the leadership's time and energy is involved with the extensive network of clinics, shops, vacation camps, and cultural centres run by the union, they see the workers' clubs as "crucial for raising discontents" and helping the union "pinpoint what the priorities ought to be". The leaders in the clubs are people who have left and rejected the party. One of the union vice-presidents described them as "extremist" in the sense that they put forward "impractical" demands, but the vice-chair of the union saw them in different terms: "They are active workers, not passive like most. In some ways they are personalities like the union leaders themselves, and are engaged in a power struggle for leadership of the workers. Ideologically they range from greens to social democrats, but they are, in a positive way, searching."

An important area of disagreement between the workers' club and the union leadership is over whether skilled engineering and technical staff ought to be members of the union. In fact this was the main topic at a meeting between the chairman of the trade union committee in the foundry and leaders of the workers' club the day of the "collective headache" work action. In so far as managerial personnel, who are drawn from this stratum, are still union members, and in so far as there has been traditionally a high degree of career interchange between union leadership and managerial positions, this clearly is an important element in the "power struggle" currently taking place. The chair of the union in the foundry, speaking with us immediately after this meeting, expressed both puzzlement and dismay at the position being taken by the workers' club on this. He is a 35 year old engineer, highly committed to working with the workers' club and to making the union more independent of management. He insisted that engineers and technicians were not a class apart despite their education but "still workers like the rest". He pressed us closely on whether unions in the West reflect such divisions and how **marxist** theory should comprehend them. There was much interest in the Lucas Aerospace example of technicians sharing their skills with manual workers to the end of developing alternate production schemes to prevent layoffs or plant closures.

It is clear that this new union leadership is itself searching precisely how to define their role in an independent manner from management. There was in Togliatti, as everywhere else in the world auto industry, interest in Japanese styles of management. The union leaders we talked to about this were not overtly hostile to this, but were aware of the passivity of Japanese unions. One of them recounted to us his amazement when he discovered on a visit to Japan that collective agreements prohibited the posting of union bulletins on

the shop floor. "We would never allow this here." We were questioned closely on how strike funds worked in Canada and the extent to which they effectively sustained workers and their families during strikes. At the same time, they were concerned lest strike action would have the effect of making an enterprise uncompetitive, thereby leading to a loss of jobs. As we used the instance of the Canadian autoworkers' successful strike against General Motors to emphasize the importance of unions having the capacity to make independent judgements regarding the financial position of corporations, they expressed their concern about their dependence on management for information and the need, at the local union level, for the economic expertise that would enable an independent assessment of that information.

It is notable in this respect that, although Togliatti appears to have provided the prototype for the **1987** Law on State Enterprises, the Head of the workers council at VAZ (a manual worker in his late fifties) told us that the existence of the Council "had made little difference". The Communist Party Secretary took the position that in so far as the structures established in the **1987** Law had not worked it was because the idea behind it had been distorted in other enterprises. Part of this was due to the fact that managers had coopted the labour collective councils, but part of it was due to the fact that the higher the level of the managerial position, the more difficult it was for workers to decide whom to vote for. The new Law "took into account the mistakes which had been made and which we felt in our practice here. It ought to be the manager who made the final decisions. The limit of the workers council's power is the power of the manager. Theoretically the workers council had been the collective master of the enterprise, but practically it had not been." He saw the new Law as "neither here or there". Although the local union leaders did not appear very exercised about the new law, it was by no means clear that they entirely shared these views. Indeed, they told us that not only the union committee but the Communist Party Secretary had sent a document with their deputy to the Supreme Soviet opposing the new Law. But neither was it clear that they had done much to consult with the rank and file on this. Shortly after the new Law was passed (just a few days after we left Togliatti), the workers on the main assembly line issued a strong condemnation of the failure to have submitted it to the labour collectives for discussion.

How then do they see the future? It was easier for them to formulate their views on the mistakes of the past. We were told by the vice-chairman of the trade union committee: "In so far as workers are backward and underdeveloped, this is because there has in fact been no real political education since **1924**. The workers were made fools of

by the Party." They are also unanimously of the view that the command economy had failed. They are proud of the autonomy that VAZ has had from the central plan and do not appear terribly troubled that Togliatti is "an island of economic stability" while other cities are experiencing severe shortages. Yet at the same time many of them asserted repeatedly that communist values must never be given up. In the CP Secretary's view the problem with the Soviet Union was that it had tried "to set those values up apart from life — now it was necessary to let life take its course". The central material condition he was referring to was that "the free market is dynamic around the world" — and life taking its course meant that a stage of integration with international capitalism was necessary before the material conditions for communist values could be established. (He admitted this sounded naive about the benefits of the "free market", but this was because "we have had no experience with markets".) In Togliatti this would entail the establishment of joint ventures with western capital which they believed would still remain under the control of VAZ.

The union leadership, while certainly not opposing joint ventures, expressed considerable concern that the integration with Western capitalism would lead to a "Latin Americanization" of the Soviet economy. They were cognizant of and concerned by the rush to embrace capitalism in Eastern Europe (while at the same time highly supportive of the democratic revolutions there, including independence from the USSR; indeed, one of them spoke movingly about the trauma of having been one of the young soldiers sent to Czechoslovakia in 1968). But they doubted that the conditions for the reestablishment of capitalism existed in the USSR, and were certain that the workers would not accept a radical market reform short of it being forced upon them by a return to authoritarian government. At the same time, they were worried that price increases and the inevitable pressure to compensate for this by wage increases would lead both the "centre" and local enterprise managers to cut back on the resources needed to maintain the collective services the unions run for workers. They claimed that signs of this were already visible. Yet, such a turn away from collective consumption might be sustained by the widespread egoism they detected among workers. As the deputy chair of the trade union committee put it: "Egoism is everywhere. People respect what is 'mine', but have no respect for what is 'ours'. People's apartments are neat and well maintained, but the hallways are a shambles." Our own glimpse of the city, where the grass was uncut and streets pot-holed, confirmed this. We began to dub this "private poverty and public squalor".

Notably, a large group of independent candidates, allied with the

Komsommol in Togliatti, had been elected to the municipal soviet on an ecology platform. The union leaders had stayed away from the municipal soviet elections and "let the ecologists win". But the reason they gave for this was rather cynical. Without an effective tax base the municipal soviet had no capacity to accomplish anything (the local government even had to come to the union for 60,000 roubles to stage a celebration for the 25th anniversary of the founding of the city). The union leaders were sure the ecologists would lose the election next time since they would not command the resources which alone would enable them to carry out their promises. As for the Komsommol, they (like the workers' club) were given some credit for "searching", but there was also some feeling among the union leaders that the Komsommol had lost its ideological bearing, had become too single issue oriented, too "commercial", too "populist". The Komsommol leader did indeed express to us support for private property and the market, but his overall political orientation was quite similar to those who are trying to build networks among local social movements in the West. He was especially proud that the Komsommol itself had started a taxi service for the elderly and "drop in" creches near cinemas. The ecology movement in Togliatti had worked through the Komsommol to get the union to sponsor a symposium on the environment. The union leaders agreed that while workers had been "backward" on this until recently it was the main issue in Togliatti now. Yet, on this issue, as on most others, it still appeared that the direction and pace of change in Togliatti hinged very largely on the position that would be taken by the Communist local union leadership.

The union leaders thought it likely that a real crisis would come in the fall or winter if the government moved ahead with its proposed market reforms. Yet it seemed to us that a great deal would ride on what this level of leaders did in this crisis. Indeed, we could sense that they were coming to recognize this themselves. They did not rule out the possibility that they might leave the Communist Party, but we could never get clear the criteria on which they would make this decision. Certainly they were not visibly aligned with any faction in the party and they were suspicious of Yeltsin, who they thought capable of authoritarian populism.

### Yaroslavl

Yaroslavl, an ancient capital of Russia with a much more diversified economy and social structure (including a large intelligentsia associated with the many institutes of higher education and culture) provided a sharp contrast to the new single-industry city of Togliatti. The architectural splendour of Yaroslavl, with its many frescoed churches and monasteries built by the powerful merchants and nobles

of the 17th century, puts to shame the modern city further south on the Volga built by Italian and Soviet industrialists and planners so many centuries later. (While in Togliatti no church at all was in sight, the restoration of churches — including one of them completely surrounded by a chemical plant — is a major industry in Yaroslavl all by itself.) A local Popular Front of informal movements had formed in the city in 1988 and within it was a broad informal workers' group which had its roots in the 1987 strike at Autodiesel. The popular front had been holding mass meetings in a local stadium of some 1,000 people every Saturday over the past year. Among 178 municipal soviet deputies, some 20% were elected on a Popular Front ticket, and they worked closely with the many Communist party deputies who were aligned with the Democratic Platform in the party.

The Autodiesel enterprise, the largest in the city, had produced its 650 horsepower engines for truck and tractor plants in Byelorussia. This meant they had little autonomy from the central planning apparatus, and very little direct access to hard currency, such as VAZ enjoys in Togliatti. In a meeting with the deputy director, we were told that until 1990 only those enterprises integrated enough to produce a final product had secured much autonomy. Having finally secured more independence from the plan, they are looking to export engines directly themselves. This will mean cutting back delivery to the plants in Byelorussia, but there were no advantages to Autodiesel any longer in enjoying the monopoly position they had with these plants, which were likely to be forced to close down. Displaying very much a "sauve qui peut" attitude, the manager was coldly unconcerned about their fate. Autodiesel is now being allowed to keep 50% of its profit, but since their profitability level is only 4%, their main problem is where they will secure new capital. They have some slim hopes of obtaining this from one of several banks that have been created recently (including an AutoBank formed by 200 enterprises in the industry) or from a partner they may be able to sell the engines to in the West.

Although the state probably will remain the main source of credit, it is clear that the pressure is very great to solve the problem of obtaining the new capital by increasing the extraction of surplus from the workers. The manager tells us that the main reforms that are now needed are those that would give enterprises flexibility in wage and employment levels, which still are dictated by Gosplan. "Bonuses are important now, but workers feel they are underpaid in terms of the centrally set basic rates, and they therefore demand bonuses regardless of productivity. Work discipline and motivation is very low now. Only if workers feel their income is dependent on the enterprise rather than the centre will they work better." When we suggest that workers in the

plant in Togliatti seemed to be working harder than in North American plants, he explains this in terms of the plant there having been built according to western standards, where "technology controls the workplace".

He considers the victory that the workers won on "Black Saturdays" to have been a disaster. Not only did it have the effect of a significant loss in the volume of production, it established the working collective council as a real power in the enterprise, something that he insists did not happen elsewhere despite the provisions of the 1987 Law. "Nothing good came of that Law. The workers' level of culture meant that not very conscious or educated workers were elected to the councils. The democracy came before the culture. The Law is being changed now because many directors of enterprises refused to remain directors if they lost their decision making power. Instead of taking quick professional decisions, there were long involved discussions that dragged out. These inevitably ended with redistribution questions coming first, since these are the problems closer to the people, while the main questions of production and modernization were ignored."

It is very clear that what this manager means when he says workers will work better if their income is dependent on the enterprise rather than the centre is that managers will have more control over workers. There are the makings of very serious class struggle in relation to this strategy, for as we immediately saw when we left his office to meet the union representatives, their support of enterprise autonomy has primarily to do with a conception of workers control. Again asked to begin the meeting with an opening statement of our own, we did so by putting directly the question of how much the situation had changed since the strike and then conveying to them what the deputy director had just told us and asking for their reaction to it. There were 24 people there, most of them elected leaders in various sections of the plant, and one of them also the vice-president of the informal workers' club. Sixteen of them were women — and the women were older (in their forties or fifties) and not nearly as western looking in their dress as those we had met in Togliatti. Overall, they looked, put simply, poorer. But they were also more eloquent and direct. We kept almost verbatim notes of this meeting.

Woman I: "Before the change, almost all decisions were made by the administration. Now there must be consultation with the trade union committee and the workers have a much greater say. The trade union has more say in questions of social infrastructure, but also on wages and bonuses. Elections themselves have acquired a much more representative character, including elections of delegates for conferences."

Woman II: "I am a representative of a work collective. There were direct elections with six candidates per position. When there are so many candidates, this indicates that people are not sure who to choose."

Man I: "The reason the informal organization arose was because the union has to put so much energy into providing collective services. This is necessary in non-market economy."

Man II: "The transition to the market worries people in terms of prices as well as shortages. This increases the role of the union."

Man III: "I am the representative of the informal workers group which emerged here two years ago. We felt that the traditional administrative power structure in the factory would talk much about change, but not do much in fact. Lots of talk but no action. Not much was tried by the traditional union structure, so workers elected their own representatives to defend their rights and their wages and conditions. Up to now the trade unions are still too much engaged in social functions. For so many years people have been kept in a passive position, they may have become passive themselves and refused to believe the trade unions would be participating in the changes. And the opposition in the union to change is still strong, especially to democracy. Very few workers are satisfied with the pace of change in the trade unions. [At this point there were many shouts of disagreement.] Well, maybe not so many people are participating in the workers' clubs, but those that are are the real activists. There is an idea for the workers of the Russian Federation to have a new union created. There is already a new confederation of labour in Siberia. We sent a delegate to a conference held in May."

Man IV: "I don't agree with everything he said, especially what he said about passive workers. The election of Yeltsin is a serious sign of victory by democratic forces. Since these workers' clubs are organized and uniting, this is also proof of a movement. At this level, the trade union represents workers well. This was seen in the reduction of subbotniks even before the strike."

Man III (the informal group representative again): "About what the deputy director said. If discipline is low, it is because workers were so alienated from the means of production that they developed poor working habits. The main question now is how the independence of the enterprises will change this. The workers' clubs are fighting for collective ownership of the means of production along with the independence of enterprises. But this is being undermined. For example, the proposed price rise is a purely bureaucratic administrative decision by the centre."

Woman III: "We have to recognise that the managers do need independence on technical decisions."

Woman IV: "Control by the Ministries is still there, and this limits managers' power as well as the workers' collectives' power. So the enterprises must become free of the Ministries first of all, and then the workers' collective councils will really become strong."

We had stayed out of the discussion to this point, but as there seemed general assent to this last comment, we interjected to ask whether the new law on enterprises passed earlier in the week did not already negate what they expected in terms of the power of the workers' collectives once the enterprises became autonomous. They appeared confused and said that they had heard that a new law was being considered but did not really know what was in it. When we said that we had been told in Togliatti and by their national union president that the law had already been passed last Monday and that it removed the power of the collective to elect managers and had established a

new parity council to oversee decision making in the enterprise, there was uproar in the room. The main reaction was that this was proof of how the system at the centre, despite the new parliamentary institutions, remained undemocratic, the same bureaucratic system that delivered decisions from on high without popular involvement. The Chair of the trade union committee spoke up at this point (for the only time during the meeting) and tried to cool things out by saying: "We are not yet owners of the means of production. When we are we will have more rights." A middle-aged woman, who had to this point been silent, followed this with a long and eloquent speech on the meaning of socialism. It ended with this bald statement: "When the state owns the means of production, then they appoint managers. But if socialism really means that workers own the means of production, then they should elect managers." Another woman disagreed: "Not everyone feels all managers should be elected. People who were not competent enough were elected." The informal representative interjected forcefully: "A good manager should have nothing to be afraid of." There seemed overwhelming assent to this, and when he went on to say that he was in favour of municipal soviets plus workers in each enterprise having joint control of the enterprises, they all agreed.

They were anxious to turn the discussion towards the situation in Canada. Significantly, the first question was whether managers were members of the unions as in the USSR. This was followed by a series of questions on the right to strike in Canada. And, then, surprisingly, given the clearly syndicalist approach he had taken throughout the meeting, the informal workers' club vice-president, raised a naive question, the kind we were later to hear put by Moscow liberal intellectuals, who are keen to deny the contemporary relevance of drawing any conceptual distinction between capitalism and socialism: "We hear that there is socialization of the means of production going on in the United States." When we asked him what he could possibly mean, it turned out that he had heard about profit sharing schemes by corporations. It seemed to us that such naivete might presage the workers' clubs demands for industrial democracy being sooner or later bought off with the issuance of shares to individual workers which would leave them with no effective democratic control over their enterprises. This led us to offer a sketch of the reality of such schemes in the West, which ended with an expression of the need to democratize our system in order to displace our ruling class of capitalists, just as they needed to democratize their system to displace ruling "nomenklatura" class.

Our translator at this point thought it necessary to preface her translation by telling them that we were speaking as western marxists, but when she had finished translating what we had said about our

respective ruling classes, there was a burst of spontaneous and enthusiastic applause throughout the room. The trade union chairman thought this an appropriate moment to end the meeting.

The union chairman, elected two years ago, is a Communist party member in his early forties, and seemingly very committed to the democratic changes taking place and to making the union an effective representative of its workers. One measure of this commitment was that he had recently been offered a senior management position and had responded to this in uncharacteristic fashion for a union official. He had gone to the union council, told them of the offer and said he wanted to put the matter in their hands, since they had elected him and he was responsible to them rather than to management. They told him they wanted him to reject the offer, and he did so.

When we pressed him on the degree of independence the union now had from the party, he stressed that a key to this was the fact that the industrial committees of the regional party apparatus had been abolished, and since they had been the locus of party control over both unions and enterprises, this was an important factor in understanding the transition that both local unions and enterprises were going through. But he was anxious to get on to another matter that he considered far more important. He demanded to know what "social justice" meant in our view. We clearly had not agreed with the deputy director's call for flexibility on wages and employment, but was it socially just that some workers do nothing at work, or don't even show up for work and yet get paid the same as those who work hard? He proceeded to make a strong defence of income differentials in the workplace, and, if necessary, the right of managers to fire unproductive workers. We responded that it was hardly socially just to tie income to a measure of productivity since this was not only a factor of individual worker effort, but the way the labour process was organized in each plant and the nature of the technology. Workers who are in two different plants and are working just as hard would, on the measure he was proposing, be paid wildly different amounts. Moreover, what would be socially accomplished by firing someone who didn't work hard? Since he was in favour of full employment, he would just be passing the problem which that worker's lack of effort represented to another enterprise. In the end, we appeared to come to an agreement that the essential problem was not an individual one to be solved by introducing the discipline of the labour market, but was related to alienation from the polity and from a labour process workers did not control.

As we went on to discuss the role that unions could play in relation to this, we noted that we were surprised that union leaders in Togliatti and Yaroslavl seemed not to know each other or even anything about

each other, let alone actually discuss these matters together. He complimented us for having in such a short space of time "grasped the essential point" about the working class in the Soviet Union. There were virtually no linkages across the unions, even in the auto industry, at the base. Democratic centralism, which fostered this division as a matter of organizational principle, has produced its negation in terms of local hostility to the centre, but it had left that hostility embedded in a series of unconnected localisms. Yet the very passage of the new law on enterprises, with virtually no allowance for input from the rank and file representatives, may exactly have been the shock needed to overcome this problem. While the political class in Moscow debated the 500 day crash privatization plan, two very broadly based meetings took place later in 1990, the first in Togliatti at the end of August and the second in Moscow in December, bringing together hundreds of delegates from local labour collective councils and workers' committees to protest the new law on enterprises and to found a new all-union labour organization. As David Mandel recounts in his detailed account in this volume,<sup>4</sup> these meetings were little covered in either the Soviet or the Western press, but that is hardly a measure of their significance.

### III. *The Perspective from Moscow*

One advantage of visiting Moscow after visiting the provinces was that it encouraged some healthy scepticism about the ready generalizations which the political class of intellectuals, journalists and politicians that predominate in the capital are wont to paint for the visitor. Nevertheless, it was also refreshing and instructive to meet with this political class amidst the discursive openness of *glasnost*. For what this political class in Moscow thinks and intends (and it now openly thinks and intends many different and even contradictory things) still remains the focal point for everything else that is going on in the Soviet Union.

It is true that Moscow may be losing control over the vast geographic space, with its great diversity of peoples, gradually assembled under the old czarist empire. Indeed, it is arguable that only the Bolshevik revolution, with its unique blend of internationalism and coercion prevailing through the civil war, preserved most of that immense space as a distinct territorial-political entity at the end of World War One. It is in this light that not only the Baltics', but also Poland's, undoing of Stalin's reclamation of those bits of the old empire that were lost after 1917, needs to be understood. And an even larger drama of detachment from the territorial reach of the old empire is now being played out in many areas that were retained under a new regime after 1917. But while projects to break with or secure or

extend autonomy from the centre are seemingly ubiquitous in the Soviet Union today, all eyes still turn to Moscow in order to discern the ways in which the projects of the political class there will complement or frustrate, promote or prevent, the decentring process that so markedly motivates politics everywhere else.

Moreover, Moscow remains the communications hub of the Soviet Union: it is a political class's business, after all, to collect, control and dispense information. And while the information received in Moscow is by no means complete (indeed what the political class does not know about a society in transition probably exceeds what it does know), such "facts" as become generally "known" in the Soviet Union still primarily make their way through Moscow. Indeed, it is arguable that the rest of the country now relies *more* on Moscow for credible information than in the days when everything was filtered through, or concealed behind, the Party line. Despite all the centrifugal localisms that are asserting themselves so insistently, Moscow remains the summit that affords the broadest perspective.

Of course we are using the term political class here rather loosely. We mean it not in the sense of the tightly organized personnel that staffed the upper reaches of the party-state apparatus under the rigid rules of democratic centralism and Stalinist statecraft. The political class in this sense is dying, although it is by no means yet dead, in the Soviet Union. Rather we use the term as one might use it in a liberal democracy, to refer to those who make their living by and off politics — making, opposing, advising, commenting and reporting on state policy at the centre. This includes in Moscow today a broad array of people whose common passion for politics and quite uniform socio-economic profile (male, salaried, university educated) is not inconsistent with a diversity of goals for the future and interpretations of the reality today.

There was a broad consensus among virtually everyone in the political class we talked to in Moscow that the whole country was in the throes of a severe economic crisis. Its immediate symptoms were a massive hidden inflation in the context of consumer shortages existing alongside a vast pool of savings (estimates vary on the size of this, from 300 to 600 billion roubles) which at present could neither be spent on the limited goods available or tapped for investment purposes. The structural roots of this crisis were generally located in the following factors: the "extensive" nature of Soviet economic development wherein something akin to what has come to be called "Fordism" in the West (that is, a virtuous circle of mass production and mass consumption) never developed; the hyper-centralization of production which inhibited modernization and technological innovation; the rigidities of the bureaucratically administered

system of distribution, made worse by the effects of underinvestment in infrastructure; the historic defeat of the agricultural classes in the 1930s forced collectivization, and the consequent low agricultural productivity due to superexploitation in the form of extremely poor wages and conditions; the increase in real wages in industry and services since the 1960s, which neither domestic production nor imports (especially after the fall in oil prices ended hopes of a hard currency windfall) were capable of soaking up and recycling.

The effects of all these long-standing problems appear to have been rendered more severe by the disruption to the old political-administrative system introduced by Gorbachev's revolution from above, and at the same time rendered more visible with *glasnost*. It was generally agreed no structure in the political-administrative system was functioning smoothly. Even the security system, which had been the most efficient, no longer works well and is incapable of coping with what is generally recognized as a crime wave. Yet no one we met thought it possible to go back to the old system as it had evolved under Brezhnev, even if there were those who blame the incompleteness or, on the other hand, the rapidity, of the changes since 1985 as the cause of the current crisis and its many discontents.

To borrow a phrase from someone who is heard of much less these days than at the outset of perestroika, what is to be done? Notably, everyone we talked with in Moscow took the view that the package of market reforms which the Ryzhkov Government had announced, and especially the price increases on basic necessities scheduled to come into effect on July 1st, was unacceptable to the population. And, indeed, as we watched on our last day in Moscow the Supreme Soviet decide to postpone the introduction of this package, an aura of foregone conclusion pervaded the rather desultory debate. Yet there can be no doubt that the overwhelming orientation among the political class, inside and outside the Communist Party, is towards finding both short-term and long-term solutions to the economic crisis through the more or less gradual turn to "markets". But although this word sets the terms of all debate and discussion these days (far more than "democracy"), it conceals as much as it reveals — not least because it does not capture the political changes that are seen as inseparably connected to solving the economic problems. It is necessary, therefore, to take a much closer look at the various orientations and tendencies within the political class.

Let us begin with the Central Committee of the Communist Party. The Gorbachev leadership group, having taken the driver's seat in 1985 of the old locomotive at the head of the stalled Soviet train, suffered many slings and arrows in the run up to the July 1990 party congress, but it clearly secured there its hold over the controls. The

railway metaphor, however strained, is an apt one, and not only because the frustrations of perestroika so far call to mind the freight trains that are reputedly loaded with goods but stuck at sidings all over the country. It is also a good one because this leadership still understands what it is doing in terms of the "locomotive of history" following along the tracks set by the development of the forces of production. It wants to find a way to get back on the track set by capitalism's development of these forces of production, having accepted that the Bolshevik attempt to construct a parallel track was not only unorthodox in terms of the classics of historical materialism (it obviously does not bother them much to be unorthodox) but futile. Their view is that it is necessary to integrate with a stage of dynamic world capitalism: this alone will lay the basis for the eventual emergence of socialism on solid foundations. The people who lead the Bolshevik party, in so far as one wants to understand them in terms relevant to the political history of Marxism in the Soviet Union, are Mensheviks.

These were precisely the terms in which their philosophy and strategy was presented to us by Andrei Grachev, the deputy head of the international committee of the Central Committee. Responsible for theoretical issues, close to Yakovlev and influential with Gorbachev (with whom he had just returned from the United States, having handled the media side of the visit), this very handsome, expensively dressed (Gucci?) 52-year-old (Paul Newman could play him in *Reds II*), talked with us for two hours on subjects that ranged from Gramsci's conception of the party to Togliatti today. The goal of the Gorbachev leadership, he told us, is "normalcy", by which was meant a stage of parliamentary democracy and market relations. "But this is *only* a stage. For this is not where we should have landed in the end. But we should have made use of the universal aspects of parliamentary democracy and markets, which we ignored before. The goal is to arrive to the point that socialism grows out of normal capitalist society." When we taxed him with the likely costs in human misery of a transition to such a stage, he responded: "We are not too afraid of going too far towards capitalism, as there is great resistance to it here. There is a strong spiritual basis in this society which does not accept the excesses of capitalism. This is the traditional collectivism which goes back before 1917." In light of this, the cultural success of the revolution which led to broad education eventually produced a political consciousness that demanded a democratic version of socialism. That was why he believed "we have a good chance of reaching a Scandinavian, more cooperative version" of the stage they needed to go through. He did not dissent when we said this sounded classically Menshevik.

Unlike so many other enthusiasts for the market and multi-party elections we met in Moscow, Grachev displayed a sophisticated appreciation of the limits and contradictions of democratic capitalism. Nor was he apologetic about the limits of the Gorbachev reforms. For instance, when we told him about the anger we had witnessed among workers in Yaroslavl that they had only heard about the passage of the new law on enterprises by the Supreme Soviet from us, he saw this as an instance of the negative aspect of parliamentarism, its elitism, and the separation, apart from the act of voting for representatives, between decision making and the people. "Many of the new structures which were a year ago seen as incredible developments for this society are now questioned because they see the negative aspect of bourgeois parliamentarism, while not yet having any evidence of the positive benefits." He insisted, however, that the impression we had from Togliatti and Yaroslavl that the municipal soviet elections amounted to little, in so far as the local soviets had no tax base, was wrong in that the intention had been made clear all along (and this was now in the process of being passed through the Supreme Soviet) for the local soviets to get directly the taxes from citizens and enterprises and then only pass a portion of these along to the centre.

When we expressed surprise that this was not known even by the Communist trade union leaders we had met in Togliatti, he explained this in terms of the unfortunate existence of "a filter between the party at the top in the centre and the lower levels". Asked what this meant, he turned the discussion to the Party. Even in the Polituro Gorbachev had only a minority behind him since 1985. He constantly had to strike compromises there, and in the Central Committee, which "did not reflect reality". As a result, "the power at the top no longer represents the balance of opinion in the country as a whole. It is like a vacuum chamber underneath the sea, resistant to the great pressure upon it from outside." When in response to the emergence of the Democratic Platform inside the party, the Central Committee had issued a statement on the impermissibility of factions amidst a strong defence of democratic centralism, the text had in fact been drafted by the Politburo without even consultations with the Central Committee. All this reflected "old fashioned" compromises at the top forced on Gorbachev in terms of his minority position. On the other hand, especially in the run up to the July Congress, he told us it was fascinating to observe how the old apparatchiks, who had gotten where they were by never stirring from their desks, keeping their noses down, pushing paper and following orders "were discovering how to be creative politicians", making speeches, organizing opinion to the end of holding on to the old system.

Coming out of the Congress, the Party would have to confront

four fundamental but absolutely necessary changes: "First, to convince people that it means what it says; that is, that it will not remain a party-state and that it is sincere in looking for a role separated from the state, as an organization and movement. Second, to redefine its relation to other movements and parties. Having accepted the principle of a multi-party system, it must renounce its monopoly of power and respect fair play with other forces. And it must do so because it believes in socialism and social justice and because it believes it can get support politically from people, rather than just rule administratively. Third, self-renewal: the internal remaking of the party. It must stop being vertical and monolithic from the top. It must become a lively party which would be open for internal debate and with horizontal connections across the base. Finally, we have to look at the role of parties in general, which is declining everywhere in the face of the social movements. We need to allow for movements here. And it is possible that the Party may not be able to survive their attacks."

The importance of the July Congress in this respect was emphasized when we met with Yuri Krasin and Alexander **Galkin**, Rector and Deputy-Rector of the Central Committee's Institute of Social Sciences. "This is the Party's last chance not to lag behind the popular desire for change," Krasin (who is also a delegate to the Moscow City Soviet) told us. "A rapid polarization in the party is taking place and polarization in Russia always leads to extreme conflict." The only way to avoid it was for the Congress to consolidate around a "centrist" stand. But the question being asked was whether there was such a centre with a stand to consolidate around. "Gorbachev's stand is eclectic of left and right, rather than an independent stand." They were enthusiastic, however, about the programme of the Moscow party which had just been published that day in *Pravda*. It proposed constitutional changes in the direction of federalism along with market reforms. This was the basis of the kind of centrist position needed even if its weak point was that it was "imprecise and not **concrete**".

In general, Krasin and **Galkin** supported a shift in the party towards the positions of the Democratic Platform. The Central Committee's response to the Democratic Platform in February had been entirely negative. This reflected the fact that the conservatives were in a majority. The strength of the conservatives lay in the fact that they had a considerable social base given their control over the dispensation of resources. Yet a **shift** had taken place in the run up to the Congress, in so far as the conservatives seem to have decided to retreat. They were mainly concerned with how to protect their pensions and privileges at the lower level, accepting that it was

inevitable that certain things were going to change at the top. It was significant, therefore, that the latest version of the party's platform did not use the term democratic centralism any more. In Krasin and Galkin's own view (no doubt shared by the Gorbachev leadership) it was "quite clear that we should drop democratic centralism, but not change to such an extent as to make impossible a distinct party position. We need to change the activities of the party from extreme centralism, which undermines all activity and produces passivity." The undermining of the regional Oblast party committees was very important in this respect but had yielded its own problems. "Now that the party was removed from control of the Oblasts, we have found that there is no coordination among the regions. But that is not the proper role of the party. The party should elaborate policy and achieve political support — not just electoral — but the party has failed to learn how to do this yet. Even the party cadres are not anything but managers, former engineers and agronomists who are no good as party cadres. They block the kind of changes needed towards allowing the party to survive."

Yet they insisted at the same time that "a lot of democratic elements" had been elected as delegates to the Congress and were therefore optimistic about its outcome in terms of the party coming to support a centrist position around Gorbachev. And it was imperative that this happen at the Congress. "There is a threat of populism. When Yeltsin says his own path to the market does not mean raising prices, he does not reveal how, yet the population believes him. Yeltsin has said he will appeal to the people over the heads of the Central Committee. This is dangerous. The majority in the party are sick and tired of confrontation and could support a centre position such as that offered by the Communist Party in the Moscow City Soviet. If this happens the party may survive. If not, then there will be a split and a favourable position for populism, for popular support for someone who will promise to put everything in order. This will be a right-wing populism no matter what the slogans."

There was no question in their minds that the solution to the country's immediate economic problems depended on the political changes in the party. "The Government recognized the need for an immediate transition to a market economy, but at the moment it is impossible to do it because the Government's credit is so low here, as in contrast with Poland." But the real problem, in their view, was that the transition to the market is impossible with such a great disparity between the mass of money in circulation and the small number of commodities available. "Even if we raise prices threefold there will be nothing on our shelves." Their analysis of the inflationary problem was that the economic reforms to date had destroyed the barrier

between money in circulation and credits between enterprises. The cooperatives can now convert credits, which were previously just bookkeeping devices, into money. The solution Krasin and **Galkin** were pressing on the Central Committee involved freezing access to money in order to set the market in motion. What they had in mind was similar in their view to what Western European governments had done right after World War II. Enterprises would be given credits which would allow them to pay wages, but a portion of wages as well as money currently in circulation would be turned into bonds which would pay a certain rate of interest. In this way the state would obtain an important lever over the economy which would allow it to control inflation. As certain goods became available, the government would make it possible to buy them with bonds. They believed this would avoid the problem of the seizing up of production as had occurred in Brazil. "If we don't do this there will not be an immediate adoption of market mechanisms. And we will eventually end up with a solution like Poland or a return to the old administrative system."

It was clear that the reformers in the Communist Party were looking for a market solution less drastic than Poland's not only because of their antipathy to "the excesses of capitalism", but because the party lacked the legitimacy to survive such a drastic imposition of hardship on the population. We got the strong sense while we were in Moscow that a very sizeable section of the political class were strongly in favour of a rapprochement between Yeltsin and Gorbachev, and were actively pushing for it, as the sole immediate means of laying the political grounds for a market reform. While we were in Moscow, Yeltsin, in an interview in Moscow News, had promised a market reform which would not cut real incomes. It is significant that even Krasin and **Galkin**, who clearly saw this as sheer demagoguery, conceded that "the population believes him", and most people we spoke with shared their view on the political danger entailed in a continuing open split between Gorbachev and Yeltsin. As we were told by Len Karpinsky, the highly respected columnist for Moscow News: "Yeltsin has great credibility. The main issue is to stop the quarrel between Gorbachev and Yeltsin, and Gorbachev has to take the first step."

Karpinsky's estimation of Yeltsin was in fact very favourable: "Gorbachev's refusal to congratulate Yeltsin on his recent election was perceived as an underestimation of this event. Yeltsin is still a symbol of democratic developments in this society. When he was elected people in small towns were congratulating themselves. He is a mass psychological phenomenon. It is with his name people identify the chance of changing something. His election was seen as only justice given his popular support which was flouted in his earlier

expulsion by the leadership from his position at the head of the Moscow Party. Now, this is the first time that one of the leaders of the Democratic Front has come to occupy a leading position in the structures of power in the country. He has behaved courageously in many situations. Many other leaders did this in words not in deeds. This doesn't mean I have illusions about his personality. He has many weaknesses, but he is flexible and can change. We are not guaranteed from Bonapartist tendencies from Gorbachev. Yeltsin can provide a balance against this. Gorbachev has lost much credibility. Maybe in reality it is not so, but for the mentality of the people Yeltsin is the figure who gives hope of perestroika continuing."

Such views can not be taken lightly, coming from someone like Karpinsky. Until 1972, when he was expelled for writing a critical history of the party, he had been a senior party educator. A year ago he had been invited to rejoin the party and did so because "it was a different party than the one that expelled me and I wanted to take part in the changes they promised. And if I had not joined, I would have not been allowed to join the *Moscow News* editorial board. It was decided at very high levels. I was not the kind of person who could have been hidden in the crowd, since I had held senior positions before I had been expelled." This perhaps suggested that the party was not quite as different from the one that had expelled him? "The Communist Party still controls personnel and management positions. It still does not influence through its representatives but through administration. There is still no way to move through the career structure except through the party. The party should allow itself to go into opposition to rethink its whole philosophy. Those who hold to the ideas of communism and socialism will stay in the party and many are good and honest people."

Yet how honest was *Moscow News* itself in the entirely uncritical approach it had taken on the virtues of the market? It had been the scourge of the double-speak of the old apparatus and set the standard for independent comment and good investigative journalism. Increasingly it was proving itself craven in following a market line. In the interview with Yeltsin, he had not even been asked to clarify how he could conceivably introduce the market without raising prices and affecting real incomes. Over the past year *Moscow News* had published an article which made the absurd claim that there was no capital accumulation in Sweden. Another article had lavished praise on a group of cooperators who had built a pig farm on the outskirts of Moscow and proven their entrepreneurship by producing pork at a third the cost of the state farms. Senior citizens who lived next to the farm had complained to the authorities because of the smell and when it was closed down *Moscow News* presented this only in terms of this

being proof that the old bureaucracy was still in power. Karpinsky granted that the authorities were right to close the farm. "That was the socialist thing to do. But you have to understand the feeling of humiliation people feel under the existing system. This explains our strong desire to move to economic freedom. There are those who say we need a strong hand to introduce the market. We believe we can avoid this through enterprise ownership or mixed ownership and a variety of social guarantees. The problem with *Moscow News* in this respect is that there are few people who are capable of profound theoretical thinking about these issues."

But we encountered remarkable naivete about markets and capitalism even among very capable economists, who are by no means admirers of Milton Friedman. Even though their mode of analysis is that of neo-classical economics, they are naively of the view that capitalism no longer exists in the West. It is not just a matter of paying little attention to the contradictions that Keynesianism ran into, but actually of believing that institutions like West German Co-determination meant that managers and workers really were equal partners who fully shared in making investment decisions, or that the great number of cooperative enterprises in Italy meant that the cooperatives controlled the Italian economy. Such naivete is a product of wishful thinking, a hope that a transition to market relations will be something less brutal and more democratic than it is likely to be.

From what we saw of the cooperators movement (private enterprises in all but name), they are rather more hard hearted and less naive. Certainly Andrei Fadin, the political editor of *Commersant*, the newspaper of the movement (which is a joint venture with a group in Chicago, and which bills itself as "Russia's Business Weekly") knows what the capitalist road he advocates means in terms of hardship for millions of people and the uneven development it will spawn. (This is not to say that the newspaper itself is so honest, by any means. Indeed it paints capitalism in glorious colours.) The morning we spent with Fadin over the kitchen table in the tiny and shabby apartment out of which the newspaper is produced provided a very sharp counterpoint, in substance as well as in surroundings, to our meetings with the advisors to the party's Central Committee or with the liberal economists we met. Fadin has had a fascinating personal history. He had been one of the Marxist dissidents in Moscow imprisoned, along with Roy Medvedev and Boris Kagarlitsky, in the late 1970s. We were put on to him by an extremely knowledgeable American Marxist sovietologist who had described him as the most perceptive analyst of the informal movements. Fadin had moved through the informals to being a militant in the Social Democratic party and to a political position of an explicit endorsement of capitalism. Yet his account of

the economic and political crisis today and of the effects of a transition to capitalism was informed by a surer materialist analysis than the softer analyses of those who hoped for an easy transition to a Swedish type of capitalism.

Fadin was easily as candid about the state of the informal as Grachev and Krasin had been about the state of the Communist Party. "The informal movement is over," he told us, since all of the informals had already formalized structures as parties and legal associations. "There was only a short epoch between illegal existence and de facto legalisation. Moreover, having had a common enemy in the old structure of power was what united the informals. In August 1987 there took place the first meeting of all the informals. Now there is no common enemy. There are many enemies and many goals. They cannot be a movement together. Separately, they are too little and unknown to have an influence. They have not lost the character of a movement altogether and maybe they will eventually organise links with a strike movement through the Socialist party or the Social Democrats, but not yet. It is interesting also that the newspapers tied to emerging parties like the Constitutional Democrats (CADETS) or *Republica*, the paper of the Estonian Social Democrats, or the paper of SAJUDIS in Lithuania, or the Democratic Union paper are all under pressure to conform to the party line. In contrast, the official Communist Party press is more independent than ever — for instance the Komsomol Moscow paper, which everybody reads. All the new parties will remain marginal, on the political periphery until the Communist Party splits up."

Fadin was convinced, as well, that until this occurred no market reforms would succeed. He predicted a strike wave starting in the summer, of which the price increases would only be a spark. The bureaucrats and local functionaries in the provinces would support the strike wave against the centre to hold on to their local base. "The strikers from the one side and the functionaries from the other can prevent market reform. Local soviets can distribute some goods in reserve for emergency situations and will do so during the strikes. They can also get orders on credit from Kolkhozes. This will compensate for the absence of strike pay."

These strikes would prevent the Government's attempt to limit the market reform only to a consumer market. "There is no possibility of establishing a consumer market without a capital market and a labour market. This can begin with dynamic zones. There may not be universal opposition from workers since significant sections of workers have an interest in such a reform, especially those in resources and in privileged machine industries as well as in commerce and transport branches that are undeveloped now because of

artificial limitations by the central power. They will support a shift from capital goods production to consumer goods. This support will sharpen the effects of market reform for the better and limit the need for authoritarianism to impose the market. By the same token only strikes in raw materials, transportation, a few consumption goods and a few service sectors (especially medical and teaching services) can be successful. The rest can hold out on strike as long as they want. The system does not need them."

Fadin then proceeded to sketch the situation region by region. Armenia, Azerbaijan, the Baltics would all spawn a full market economy. Central Asia only had a black market now, but "this can be legalized since it works. The only thing that doesn't exist there is a labour market due to the old feudal system of tied labour." As for the Ukraine, Fadin's view was that it would split. "The eastern Russified zone with heavy machine industries will be in a bad situation in a market economy and no strikes will help them. The western Ukraine that has no heavy industrial base can be successful with a market economy because they have an orientation to consumer goods. This overlaps with the political orientation. The western Ukraine is nationalist and anti-Russian. The eastern Ukraine is Russified. The coal industry will support the market. It is already in an alliance with the cooperators — an alliance between an emerging bourgeoisie and the workers."

The only thing that could save the USSR as presently constituted would be a military coup d'etat. And if the conservatives succeeded in blocking market reform for two to three years there would be a bloody civil war. The outcome would be incalculable since armaments are spread around the republics and paramilitary organizations have emerged in Moldavia and Azerbaijan. Moreover, the control by the officers over the troops is weak, since "40% of military personnel is of Asiatic origin and this percentage is rising; they are in the lowest levels of the hierarchy, most of them are raw recruits. This is a ready base of a nationalized split in the army, which we already see in the Lithuanians deserting and the Armenians insisting on not serving outside their region." Short of a coup or civil war, nothing could stop most of the republics taking their own direction. And mediation between the republics could only be through markets since the central power was lost. "This is why Yeltsin says market mediation between republics on the basis of world prices. Russia will sell raw materials to the other regions and they will try to sell consumption goods to Russia. If Russia buys consumption goods from the West instead that will be the end of the empire, with vast movements of Russian refugees from the regions. In a few years there will be a series of countries in a loose federation. The Baltics will be included in the EEC."

Capitalist modernization through the market depended on the large pool of savings being mobilized through the sale of shares in state enterprises. This would lay the basis of a capital market, which would be quite concentrated since the most recent data (five years ago) showed only 4% of the population held 40% of the savings. Another route was to legalize foreign currency ownership and the legalisation of foreign enterprises, not just joint ventures. Fadin had no illusions about the kind of development this would lead to. The outcome for Russia was either a South Korean or Brazilian path to modernization, and he preferred the former, since the Brazilian route would leave a hundred million people destitute. "Moscow, Leningrad, the far east and the northern region, and unfortunately even most of the western region will be the 'vegetative sector of the economy', as the Brazilians say. The role of government will be to soften the effects of this uneven development."

Although it seems bizarre to western leftists, such advocates of the market are designated as being "the left" among the political class. Yet the question remains whether there are not those who, while also opposed to those who seek to preserve the undemocratic party-state structures, nevertheless are searching for a socialist route out of the crisis. There are, but they are thin on the ground among the political class. Vadim Rogovin, a sociologist who engaged himself in an important debate against those who advocate a more unequal income distribution as the best means of producing incentives, and who is just finishing a major study of the Left Opposition in the 1920s, told us that the tendency among the political class at the outset of perestroika to look back to NEP as a model for reform was already a thing of the past. "They have now been able to read Bukharin and have discovered that he really was a communist, so he is no longer their hero." Rogovin told us that he had always believed that when the system finally really opened up about its history people would recognize that Trotsky was right. But instead Trotsky has come to be treated as in the same category as Stalin in recent years and Lenin no longer is seen as much different either. At best they are seen as irrelevant, according to Rogovin, who had a recent, already type-set, article on Trotsky pulled from *Ogonyok*, the popular intellectual weekly, while we were in Moscow. "Increasingly among the intellectuals here the heroes are the Whites, Solzhenytsin and Nabokov. If you can show you had an ancestor who was a merchant or a kulak, it is now a badge of honour."

The only organized political expressions that articulate a socialist vision (untainted, at least, by a preliminary stage of integration with capitalism) seem to be the small Marxist Platform in the Communist Party led by Alexander Buzgalin, and the newly-formed Socialist

Party led by Boris Kagarlitsky. From our discussions with both of them, it is clear that there is not much that separates them ideologically except their estimation of the potential space for socialist mobilization inside the Communist Party. Indeed, Kagarlitsky's only criticism of Buzgalin was that he had not left the Communist Party (which he had only joined two years before) for the Socialist party. Buzgalin's group (which does get some attention paid to it — we saw him interviewed on the popular nightly programme '*Vreyma*') perhaps tends more towards worker self-management as the road forward, while Kagarlitsky's party places greater stress on local soviets as the building blocks of a democratic socialist alternative.

The perspective of the Socialist Party, as articulated for us by Kagarlitsky on the basis of the party's programme for its founding conference in June, begins from the following premises. Neither capitalism nor social democracy will take hold in the Soviet Union, since there is neither an indigenous bourgeoisie or a "protestant ethic" culture to sustain them. The industrial working class remains the key social base for a political project. In looking for alternatives, the unit of analysis must not be the enterprise, but the system; the question of who owns the enterprises misses the point. From these premises, the Socialist Party proceeds to the argument that a "soft" market reform of the kind advanced so far by the Government will fail and that this will be followed by more radical market reforms (a "shock treatment" like Poland) which will fail again. This will usher in a major political crisis, with the possibility of a "market stalinist" outcome. But this will not be accepted easily. The alternative to it, in as highly politicized a climate as exists in the country, will be not by the unions, but by new political parties like the Socialist Party, which will put forward democratic socialism as preferable to market authoritarianism. They will advocate municipalization of the means of production under the local soviets economic and political control. On top of this there will be higher levels of representation through which the coordination of democratic planning and investment will occur, supplemented by a commodity market as a stage to a higher form of socialism.

Although the analysis remains sketchy in the extreme regarding how such a regime would cope with an immediate economic crisis and how the higher levels of representation above the local soviet level would bear the burden of the complex decision-making that would fall to them, we saw from our visits to Togliatti and Yaroslavl that the slogan of "real power to the soviets" might indeed garner significant support from workers. But it seemed to us that the Socialist party's scenario underestimates the degree to which it was the unions and workers' clubs to which the industrial workers would turn in the face

of "shock treatment". What is certainly clear is that the Socialist Party is a tiny, ill-organized force not dissimilar to the political groupuscules on the far left that we have known so well in the West. It had only some 300 members, and from what we could see when we attended a branch meeting in Moscow with Kagarlitsky they are mainly students and young intellectual workers. Such was the degree of disorganization in both Moscow and Leningrad, where their support was primarily concentrated, that the founding conference was almost cancelled just two weeks before it was due to begin.

Under these conditions, Buzgalin's Marxist Platform inside the Communist Party may well have more to say for it. Buzgalin himself was elected to the Central Committee at the July Congress. Our experience with the young Communist trade union cadre suggested to us that there was indeed a strong base for creative leadership within the party. Yet, if any scenario, among those that were painted for us in Moscow, rang most true it was unfortunately the one put forward by **Fadin**, although we were not convinced that there would be nearly as much support as he presumed from workers for what he candidly admitted would be a terrible transition to a dependent capitalism, not least because even a "South Korean route" would involve the restriction on free trade unionism that would be very difficult to suppress now that it had sunk roots among workers. Moreover, we were not convinced that the section of the Communist political class represented by people like Grachev were to be easily written off as **Fadin**, on what we would call the right, properly speaking, or Kagarlitsky, on the left, were wont to do.

We had put three objections to Grachev, from the perspective of the Western left, concerning his Menshevik strategy. First, as regards his confidence that their capitalist stage would be relatively benign, did he take account the fact that even the Swedish model was in danger of collapsing under the weight of the new mobility and globalization of financial capital? Second, what were socialists in the Third World to make of a strategy, emanating from the Soviet Union, that seemed to condemn them to living with the status of dependent capitalisms? And finally, was he not at all bothered that the Western left, having had to endure the charge earlier that socialist ideals lead to the gulag, were now to be subjected to the charge that even Soviet Communists had come to accept the virtues of the capitalist market? Grachev responded by saying that "all this could be answered if the left in the West and the Third World can make sense of perestroika. We really believe that democracy is not synonymous with bourgeois democracy; that the market is not synonymous with capitalist markets; that socialism is not a system of shock absorbers but a whole car. We know we won't, because we can't, go too far to become a

capitalist country. Socialism is a living creature which can live without coercion and distortion, which has power in people's consciousness and willingness to work for it and arrange social life so that the freedom of one does not become a barrier on the freedom of others. It is just that the next stage in the advance of socialism now falls on the Western left before it falls on the Soviets."

As we left the Soviet Union to attend a meeting in Quebec City concerned with regrouping the Canadian left on the basis of general socialist principles that were very close to those Grachev articulated here, we recognized that in his very last comment Grachev was probably right. It is interesting to speculate about whether Soviet Communists are passing the buck or passing the torch. But either way, the more important question, for the left in the West, is: are we up to it?

## NOTES

1. It may help set the context of this visit if the reader is reminded that we arrived when Boris Yeltsin had just been elected President of the Supreme Soviet of the Russian Federation; the USSR Supreme Soviet was debating ex-Prime Minister Ryzhkov's package of price increases, scheduled for July 1st; the Moscow City Soviet had imposed resident restrictions on access to the shops in reaction to the run on goods induced by the anticipation of these price increases; and the Communist Party was readying itself for its July Congress. It perhaps needs to be stressed that neither of us are experts on the Soviet Union, nor do either of us speak Russian. One of us had been there ten years ago, the other twenty years ago. In so far as we were able to prepare ourselves, we are especially indebted to Bernie Frolic, David Mandel, Patrick Flaherty, Monty Johnston, Robin Blackburn, Kerri McCuaig and George Hewison. Once in the Soviet Union, we had to rely on the considerable language skills, organizing ability, boundless patience and energy of our hosts and translators, Lucy Nemova of the Institute and Gennaddy Korsikov of the autoworkers union. For additional guidance and translation we were aided by Helena Mouzhevljova, who teaches at the Moscow Arts Institute and serves as a translator on contract for the union at the princely sum of five roubles a day. Out of this particular joint venture, no one, and least of all Helena, was going to make a profit.
2. Lenin, *Selected Works*, Vol. III (Moscow: Progress, 1971), pp. 233, 236.
3. See David Mandel, " 'Revolutionary Reform' in Soviet Factories", *The Socialist Register 1989*, (London: Merlin Press, 1989); and Fred Weir, *The Soviet Revolution: Shaking the World Again*, (Toronto: Progress, 1990).
4. See, in this volume, David Mandel, "The Struggle for Power in the Soviet Economy".