

# Soviet economists discuss political economy textbook

(The following are some extracts from a longer summary which appeared in the *Proceedings of the Moscow University*—Section: *Economics, Philosophy and Law*. No. 2, 1956.

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Space has prevented us summarising all the contributions made in the discussion. The English translation of the second edition of the Political Economy Textbook has been published by Lawrence and Wishart, price 21s.)

**I**N May 1956 a joint discussion on the second edition of the Political Economy Textbook was held between the Faculty of Political Economy of the Moscow State University and the Faculties of Political Economy and Social Science of other institutes.

The meeting was opened by a short statement from Academician *K. V. Ostrovitianov*. He stated that the first and second editions of the textbook had on the whole been favourably received by the Twentieth Congress of the Communist Party of the Soviet Union. The Congress, creatively developing Marxist-Leninist theory, had also elaborated a number of new principles and had demanded a re-examination of certain mistaken theoretical conclusions which had their origin in the cult of personality. As a result, historians, philosophers, economists, students of law, and workers in many other fields as well as the authors of the textbook were faced with a whole number of new, complex questions. The new edition of the textbook would have to meet the high demands which the Twentieth Congress made on the social sciences in general and on political economy in particular. These new and heavy tasks could only be solved by drawing in the widest circles and enlisting their co-operation.

A lively discussion followed.

*Dr. A. W. Bachurin* raised objections to that section of the textbook which dealt with the transition period from capitalism to socialism. In his opinion, the chapters in question contained too much emphasis on questions of the history of political economy and of economic policy, whilst the main problems of political economy were either relegated to second place or not properly treated. Thus the special features of the rise of socialist production, as well as the main features and laws of economic development in the period of transition were not elaborated sufficiently clearly.

*Bachurin* considered that the existence of two forms of property were insufficient justification for explaining commodity production under socialism. The character of social labour in the period of socialist construction is also a factor. One was also led, *Bachurin* stated, to question *Stalin's* conclusion that the means of production are not commodities under socialism. From the standpoint of Marxist-Leninist economic theory, it is difficult to understand how means of production can have value but at the same time not be commodities. Such a naturalistic interpretation was already rejected by *Marx* himself. According to *Bachurin*, the means of production are commodities also under socialism. Certainly they are commodities of a special kind, clearly differentiated from means of consumption, which are commodities in the fullest sense of the word. But, despite this, the means of production are real commodities, not just things decked out with the "appearance" of commodities.

Caused by the cult of personality and in contradiction to the logical and convincing arguments of *Marx*, the textbook denies that there is a division of the product into necessary and surplus product under socialism. Such a division continues to exist even though in socialism it expresses different relations of production. It is true that the definition of surplus product is changed—now it is a product for society and not for the exploiting classes.

*Dr. Gluchkov* was concerned mainly with questions of modern capitalism. He agreed with the authors of the textbook that the law of surplus value is the basic economic law of capitalism, but considered that the operation of this law under monopoly capitalism was not explained in a sufficiently concrete way. It is true that surplus value is the general foundation for monopoly profit, but, in addition to this, it is necessary to show that the monopolies have other, different,

additional sources and methods for securing super-profits.

There is much that is unclear in the textbook in relation to how the laws discovered by Marx in his examination of capitalism in its pre-monopoly stage operate in modern capitalism. This applies especially with regard to the law of the tendency of falling rate of profit; for here there is a failure to show that with the increase in the organic composition of capital in monopoly capitalism, the degree of exploitation is most strikingly increased. When the capitalists invest in fixed capital they face the danger that their rate of profits will very steeply fall. However, this is compensated for by the fact that the exploitation of the working class is intensified. The increase in the rate of exploitation in modern capitalism is an important factor moderating and hindering the fall in the rate of profit. A further countering factor, not mentioned in the textbook, is that of state monopoly capitalism, as a result of which the monopolies acquire fantastic wealth through their utilisation of the apparatus of the state. The textbook fails to deal with the export of capital, which also holds up the fall in the rate of profit. The result is that the law of the tendency of falling rate of profit and its operation in modern capitalism are treated very slightly in the textbook.

A good point about the textbook is that it examines the two tendencies in technical development which appear under imperialism. However, though the authors recognise an industrial advance under imperialism, they limit this to those branches of industry which are concerned with armaments production and thus they remain standing halfway, for technique also advances in other branches of production under the pressure of competition. Though the textbook correctly shows that technical advance takes place under imperialism, it does not elaborate these points. It is also absolutely essential to draw attention to the contradictions which accompany this process.

Gluchkov suggested that the law of the uneven development of capitalism—economic and political—in the epoch of imperialism be given much more attention in later editions of the textbook. This question cannot be separated from the many and varied forms of transition from capitalism to socialism in different countries, for this reason the law should be examined in a more fundamental and comprehensive way. In doing this, there should be no one-sided concentration on uneven economic development, but due attention should also be paid to uneven political development. In the second edition of the textbook only one aspect of uneven political development is

treated, i.e. the class struggle; other important aspects like the national liberation struggle and the anti-Fascist struggle and the peace movement are not even mentioned.

*Professor S. B. Lif* criticised the structure of the section in the textbook that dealt with the capitalist mode of production. He drew attention to a number of incorrect formulations in the textbook. For example the textbook stated: "The *maximum limit* of wages under capitalism is the value of labour." One cannot agree with such a conclusion put so categorically. Wages are extremely elastic. In certain phases of the industrial cycle they can very much exceed the value of labour power. Certainly this is of very short duration. The fact that successful class struggle by the proletariat can also force an increase of wages should not be overlooked either.

In treating the problems of imperialism we should stop using the term "maximum profit". Lenin speaks of monopoly profit or monopoly super-profit. And not without reason. The concept "maximum profit" expresses only the quantitative side of this phenomenon; it draws attention to the fact that it is considerably above the average profit. But the concept *monopoly profit* or *monopoly super-profit*, on the other hand, provides us not only with a quantitative but also with a qualitative concept. It immediately conveys the relation between monopoly profit and the domination of the monopolies. Moreover, maximum profit and monopoly profit are in no sense synonymous terms. Lenin regarded monopoly profit as one of the varieties of profit, profit amassed by monopoly capital. Stalin, on the other hand, really equates maximum profits with surplus value, as profit necessary for ensuring extended reproduction. There is no reason for such a jumbling together of monopoly profit and surplus value.

In the textbook there is also no real elaboration of the economic foundations of state monopoly capitalism. All that is said is that state monopoly capitalism means the utilisation of the state apparatus by monopoly capital. This is, of course, correct, but it is not all. What is involved—from the economic standpoint—in the subordination of the state by the monopolies? Lenin defines as one of the foundations of its development the personal union of monopoly capital and the government, in which monopoly capital is the decisive factor. From this it also becomes clear how the monopolies are in a position to harness the state for their own interests.

*Dr. N. S. Spiridinova* opposed the view that the means of production were commodities under

socialism. In this connection she recalled a statement made by Lenin in 1920 that state products, the products of state enterprises, exchanged for food produced by peasants, are not commodities in the politico-economic sense of the term, in any case are not only commodities, are no longer commodities, have already ceased to be commodities (Lenin, *Works*, Vol. 32, Russian edition). This statement of Lenin's also has validity to the entire period of the first stage of communism, especially in regard to the means of production. Considered correctly the means of production are seen to be no longer commodities. The transition from commodity to product proceeds not at one blow, but by a series of leaps. True, this dialectical process of development from commodity to non-commodity signifies that the means of production still have value as the measure of labour embodied in them. They still have the value form, and appear in the form of commodities. Value here does not express the relations between different classes, but has already lost a number of specific features, for beneath the utilisation of the old form the commodity gradually grows into the product. The fact that the means of production retain the commodity form and are paid for in money is not just a game, but is of considerable importance for the economy.

N. W. Chessin dealt with the meaning and the content of basic economic laws. In his opinion, the introduction of the category—basic economic law—to economic practice must be ascribed exclusively to Stalin. Marx, Engels and Lenin, the classical exponents of Marxism-Leninism, did not venture to deduce a basic law from a series of other laws. Chessin argued that one should not concern oneself with the idea of how to improve the formulation of basic economic laws, but rather with the question as to whether the elaboration of such a category is justified scientifically at all. The construction of a basic law out of several other laws, and having the content ascribed to it by Stalin, contradicts Marxist dialectics.

By a basic economic law Stalin understood a law that determines all the most important sides and processes of development, and consequently all that is most essential in a mode of production. The authors of the textbook use the word "expresses" instead of "determines" in various places. This alteration is absolutely correct, for an economic law can only *express* and not *determine* this or that aspect of relations within the relations of production. It is not an economic law which makes possible the rise of a definite system of production relations, but, on the contrary, the

production relations which give rise to economic laws. However, despite this correction, the authors have plumped for the idea that amongst all the laws there is *one* which expresses what is most essential in the mode of production.

We are faced here with a wrong conclusion. The essence of the mode of production cannot be confined within the framework of *one* law. Every law reflects only one single side, one aspect, one essential feature; it does not, however, embrace the essence in its totality. The real inner essence of such a complicated organism is a mode of production, which can only be expressed by all the economic laws taken together. Although Stalin sought to find *one* law which expressed the essence of a mode of production, he only brought confusion into economic theory and also into economic practice as a result. According to Stalin, the law of value as the law of commodity production had no connection with the essence of capitalism. For Marx, Engels and Lenin on the contrary, capitalism without commodity production was unthinkable; for them it was precisely commodity production which is the basis of capitalism, and without the law of value there could have been no law of surplus value.

Influenced by the cult of personality the authors of the textbook have taken pains to formulate basic laws for the various modes of production. The inevitable result was that the formulation of the basic law of a mode of production had to contain all the main features of the corresponding production relations. This could not be avoided, for the essence of a mode of production cannot be adequately defined by reference to a single feature. For this it is necessary to describe all the important features. An exception is made in the case of capitalism only, and, to a certain extent of socialism. For capitalism the law of surplus value is elevated to the basic law. This, according to Chessin, was quite wrong. The basic features of the capitalist mode of production are expressed in the category *capital* and not in the category *surplus value*, which itself only constitutes a definition of capital. Marx, who in the famous three volumes of *Capital* investigated the content of capital, found ever new definitions, and in this way provided us with a comprehensive characterisation of the essential features of capitalism. To discover the basic laws of capitalism involves, therefore, revealing all the fundamental laws of motion of capital, including the law of surplus value.

[These extracts will be completed in the next issue of *Marxism Today*, along with a report of further Soviet discussions on value and price and socialist society.—*Editor*.]