

**supplement**

ISSN 0201-4297

1984

2

**STIP**

---

**The Struggle of Ideas in the Contemporary World**

**The problems of poverty—the  
insolvency of bourgeois solutions ●**

**Is there “hidden unemployment”  
in the USSR? ●**

**Futurology debunked ●**

---

The Novosti Press Agency

supplement

2

STP

1984

SOCIALISM:  
THEORY  
AND PRACTICE

The Struggle of Ideas in the Contemporary World

Published bimonthly  
in English, French,  
German and Spanish

1984

Address:  
STP Editorial Office,  
APN Publishing  
House,  
7 Bolshaya  
Pochtovaya Street,  
Moscow 107082,  
USSR

**EXISTING SOCIALISM AND ITS  
CRITICS**

- Z. BABKINA  
Is there "hidden" unemployment  
in the USSR? 5  
The intelligentsia—a dominant  
class? 11

**WORLD REVOLUTIONARY  
PROCESS**

- I. IVANOV  
The "poor" and "rich" countries  
concept 18  
Y. DOSTOVALOV  
The problem of poverty and  
bourgeois prescriptions 25

**MODERN CAPITALISM**

- A. WEBER  
The economic role of trade  
unions in the West 29  
K. KHACHATUROV  
Fascism in Latin America 35

**BOOK REVIEWS**

- K. KANTOR  
The historical role of the work-  
ing class in the contemporary  
ideological struggle 41  
G. SHAKHNAZAROV  
Groping for the future 45  
A. TUNOV  
Common sense versus anti-  
communist dogmas 51

Editing completed January 20, 1984

## IS THERE "HIDDEN" UNEMPLOYMENT IN THE USSR?

by Zinaida BABKINA

*The example of the USSR has convincingly demonstrated the advantages of socialism in the sphere of employment, the most important sphere of economic life. Thanks to the planned development of the national economy, unemployment has been done away with for all time and full employment for the able-bodied population assured. Unable to negate this indisputable fact, bourgeois ideologists are seeking to "prove" that different forms of hidden unemployment exist in the Soviet Union. Is this really so?*

### EMPLOYMENT WITH AND WITHOUT INVERTED COMMAS

Bourgeois economists are trying to use categories intrinsic to capitalist society for an analysis of employment under the socialist economy. According to their contention the scale of employment is determined by the ratio between demand and supply on the labour market, and it is "full" when as a result of the "free" competition between the suppliers and buyers of labour there evolves "an equilibrium price", i.e. a level of wages at which the demand for labour and its supply coincide.

This approach is indefensible methodologically for the following reasons: the levels and dynamics of wages and salaries exert an indirect impact upon the volume of employment either slowing down or speeding up the processes of renovation of production and the introduction of labour-saving technology; however, they are not the factors that determine the magnitude of employment. The magnitude and trend of development of employment depend on the specific features of every mode of production and, ultimately, are governed by the main

*My friends and I set great store by the Soviet peace proposals. The nuclear war threat will continue to grow if the plots of the war mongers are not thwarted.*

Harry Kotowicz,  
farmer, Canada

*What with its invasion of Grenada, it seems that the USA is preparing to unleash a new colonial war in Central America. It is forging a bloc against Cuba, organizing raids on Nicaragua, supports the fascist regimes of El Salvador, Guatemala and Honduras. But the imperialists will not intimidate the peoples fighting for their freedom and social progress.*

Alfonso V. Gomez,  
teacher, Colombia

Z. BABKINA, Cand. Sc. (Economics), specializes in the study of the socialist economy.

economic law. Whatever the level of the remuneration, employment cannot be full under capitalism inasmuch as the wages' magnitude and dynamics do not depend on the need of the proletariat to sell its labour power but on the need for capital to multiply itself which inevitably engenders unemployment as a result and a condition crucial to capital accumulation.

Full employment under socialism, as distinct from that under capitalism, is a specific feature of the economy of the new social system, a result of the operation of a specific law whereby as social wealth and productive forces of socialist society grow, and the living and cultural standards of the working people rise, the total number of jobs in every sphere of the national economy tends to increase. All able-bodied members of society may choose a job or a sphere of employment in conformity with their training, abilities and the requirements of the national economy. Under advanced socialism in the USSR the right of the working people to choose their trade or profession and type of job has long become a constitutional norm.

Full employment is a hallmark of the communist formation. At different stages of its consolidation employment has its distinctive features resulting from the level of development of productive forces and determined by the basic economic law of socialism.

In the period of transition from capitalism to socialism, in the process of implementation of Lenin's plan for building the material and technical foundations of socialism, material prerequisites emerged for securing full employment due to a systematic and large-scale creation of jobs mainly in the basic sectors of the national economy and in the formerly-backward regions of the country. This allowed, initially, a check upon the growth of the army of the unemployed inherited from capitalism, and later led to complete elimination of unemployment in all its forms.

The implementation of large-scale socio-economic programmes for the economic development of the eastern regions of the USSR, the rising living standards and improvements in the conditions of work furnish a solid basis for a further increase in employment and heightening the requirements for the general standards of cultural and professional training of the working people. These requirements are caused by fast scientific and technical progress. Consequently, the development of the spheres of public education and the levelling off of the socio-economic conditions for reproduction of labour power in different regions are given a further powerful boost.

The number of wage and salary earners, having a higher and a secondary (complete and incomplete) education, in the USSR increased from 123 persons (per 1000 employed in the national economy) in 1939 to 846 persons in 1982, i.e. almost sevenfold.

Yet, one has to note that problems attending the bringing of manpower resources into social production, to be drawn from among

persons primarily occupied with housework and work on personal subsidiary holdings in small and medium-sized towns, particularly in Soviet Central Asia and Azerbaijan, have not been solved completely. The insufficient involvement of the local population of some regions into social production results in a less effective utilization of manpower resources and, among other things, in a systematic shortage of skilled personnel in those regions despite the great potential reserves of local labour, especially in rural areas.

Socialist construction in the USSR shows that the bourgeois idea of an allegedly inverse relationship between the dynamics of employment and wages is utterly unfounded. For example, employment in the Soviet national economy increased during 1940-1981 from 33,926,000 to 113,961,000, i.e. went up over 3.36 times. Over the same period the wages and salaries of the working people increased more than fivefold with the real population incomes shooting up 6 times; note, that they have actually doubled over the past 15 years. Other socialist countries show a similar picture. Thus, in 1960-1980 the annual numbers of blue- and white-collar workers increased in Bulgaria by 2.22 times on average and the real incomes per capita by 2.5 times; the respective figures for Hungary are 1.36 and 2.16 and for the GDR, 1.40 and 2.28.

## PROBLEMS REAL AND IMAGINARY

The bourgeois concept of the so-called technological or structural unemployment, allegedly afflicting the USSR, is also indefensible. This phenomenon typical of the capitalist economy bourgeois theoreticians seek to ascribe to socialism. According to them structural unemployment means the simultaneous existence on the labour market of a mass of unemployed people of low qualifications displaced from production by automation, on the one hand, and openings for professions and specialities furthering scientific and technological development, on the other. Technological unemployment is interpreted to mean a diminution of jobs requiring low-skilled labour, i.e. of persons being displaced as a result of the growing automation of production and introduction of labour saving technologies. Bourgeois scientists believe that under socialism, just as under capitalism, massive layoffs of workers resulting from the automation of production are attended by an unmet demand for and even shortages in a number of occupations and specialities which will be further aggravated. One indication of the exacerbation of the structural unemployment problem in the USSR is, in their view, the fact that job placement centres were opened in the country in the 1960s which, in the West, they call unemployment centres.

What can be said in this regard? The concepts of technological or structural unemployment are based on unfounded "theoretical"

substantiations and they falsify real-life problems in the sphere of employment under socialism. First of all, very shallow is their understanding of scientific and technological progress as an autonomous phenomenon independent of the system of production relations and resulting, allegedly, in similar consequences for the capitalist and the socialist economies alike. In reality, however, scientific and technical progress is achieved, among other things, under the impact of economic laws governing the given formation that determines the progress' scope, rates and social implications including the forms of employment.

It should be noted that socialist ownership of the means of production is adequate to the very nature of scientific and technical progress, stimulates its development and thereby adds to the further growth of productive forces and expansion of employment.

The acceleration of mechanization and automation of production indeed does cause a relative reduction in jobs and employment directly in the sphere of material production<sup>1</sup> and, simultaneously, expands the possibilities for the development of the services sphere, which means that employment in the above sphere grows, both absolutely and relatively, and with it the total demand for labour power. It is precisely a sufficiently high level of social labour productivity attained in the sphere of material production due to the comprehensive mechanization and automation of production that creates the objective foundations and conditions for large-scale development of culture, science, public education, health services, tourism and the services sphere,—all of which assure the higher living standards and the all-round development of the individual.

On the other hand, developed socialism still faces serious problems such as what one might call rationalization of full employment, or a reliable filling of job vacancies with adequate labour power. The specific nature of this problem lies in the fact that as a result of an intensive creation of new jobs and the relatively slow phase-out of old jobs the demand for labour grows and this in a situation where most socialist countries have practically exhausted the sources of labour replenishment. Therefore, the acceleration of scientific and technical progress and the release of labour from production and its re-employment in other spheres are regarded in socialist countries as a realistic way of reliably manning work places being provided in production.

Also beneath criticism are attempts to pass off the job placement and respective information service for the population, set up in urban and rural population centres of the USSR, as unemployment centres,

<sup>1</sup> The proportion of people employed in material production in the USSR diminished from 88.3 per cent in 1940 to 73.7 per cent in 1981, whereas employment in the non-productive sphere went up during the same period from 11.7 per cent to 26.3 per cent.

i.e. institutions which in capitalist countries register "redundant" people and help them find jobs. The information services organized in the socialist countries have the purpose of more quickly providing manpower and specialist personnel to fill job vacancies in large industrial centres and at major construction projects. The very fact of establishment of the network of job placement centres testifies not to the existence of unemployment but to the desire of proper authorities to do everything in their power to reduce the manpower shortages and raise the efficiency of its utilization in production. These centres also serve to reduce time losses in the transfer of labour from one enterprise to another (by an average of 8-12 days) and facilitate the choice of a job. They serve to reduce labour turnover and tend to bring the work collectives at enterprises and construction projects to full strength.

One real employment problem under socialism is to reliably provide the national economy with labour, to maintain a balance of full employment with the purpose of raising the level of the plan-based coordination of the process of reproduction of jobs and work force and acceleration of scientific and technical progress. It differs fundamentally from the problem of employment under capitalism which has over the years unsuccessfully been fighting the massive "technological" and "structural" unemployment.

## HIDDEN UNEMPLOYMENT?

Bourgeois authors allege that in the socialist economy there exists, along with "open" unemployment (technological, structural), "super-employment" or "hidden unemployment", as a direct result of state-controlled employment, its artificial expansion.

Regarding socialist planning as the prime cause increasing employment, bourgeois economists have been trying to depict it not as an advantage of the socialist system, which enabled it to end unemployment for all time and tangibly ensure the right to work for all working people, but picture it as a defect and proof of the system's inefficiency.

All talk about "super-employment", "hidden unemployment", is based on a misrepresentation of an analysis of the essence of full employment under socialism as the real guarantee of the right to work for all working people and replacing it with an examination of the question of efficiency of utilizing labour power in socialist production. However, these categories belong to different phases of reproduction of labour power: employment has to do with the phase of drawing labour into social production and its distribution over different spheres, sectors and regions, whereas the functioning of labour power concerns the phase of its utilization in production. A substitution of one notion for another is inadmissible. Bourgeois

authors' attempts to pass off the facts of production organization levels, lagging at some enterprises, as proof of the existence of "hidden unemployment" under socialism are untenable. The more so since a comparative analysis of growth dynamics relating to social labour productivity in socialist countries and advanced capitalist countries shows up precisely the advantages of the organization of production under socialism. For example, during 1970-1981 labour productivity (per working person) increased in the USSR by 61 per cent while in the USA it went up a mere 32 per cent, in Britain it increased by 30 per cent and in Canada—by only 15 per cent.

Yet, one has to admit that the Soviet economy and those of some socialist countries are indeed faced with the problems of a fuller and more efficient utilization of manpower in general, of a planned release of manpower from certain types and lines of production and its efficient employment elsewhere where society needs it more. The general line of the CPSU and the communist parties of the socialist community for intensification of social production on the basis of scientific and technical progress is aimed at accomplishing precisely this task.

An examination of contemporary bourgeois concepts of employment under socialism shows that the vulgar, unscientific methodology whereby the laws of development of employment derive from either the market conception, or directly from productive forces, or from superstructural institutions, leads bourgeois theoreticians to false conclusions. The economy of existing socialism has proved its unquestionable historical advantage over the capitalist economy in assuring the right to work.

*Voprosy ekonomiki*, No. 8, 1983 \*

## THE INTELLIGENTSIA—A DOMINANT CLASS?

*In their "studies" of Soviet society Western Sovietologists pin their hopes on mutual distrust to be provoked between classes and social groups forming Soviet society and their antagonism to the socialist social system. Their attention is being concentrated on the Soviet intellectuals whom they regard as the main source of opposition.*

### —SOVIETOLOGICAL CONCEPTIONS FALL TO THE GROUND—

In analyzing the social structure of socialist society and the tendencies of its development, Sovietology uses two approaches.

One is the so-called theory of convergence, declaring the foundations of the socialist and capitalist systems as similar and claiming that this similarity will increase until their complete confluence in the "post-industrial" society of the future.

This theory rests on "technological determinism" as its sociological basis. Its fundamental idea is that technico-economic development is not dependent on property relations and the entire system of production relations but itself di-

rectly determines the social structure.

It would be wrong to treat "technological determinism" as a totally groundless conception. All is much more complex than that. Lenin revealed thegnoseological causes leading to the emergence of fallacious trends in any field of scientific knowledge. Though not completely unfounded, they are erroneous because they represent "a one-sided, exaggerated... development... of one of the features, aspects, facets of knowledge" sustaining "the class interests of the ruling classes" in philosophy and social science.<sup>1</sup>

Indeed, in the history of society we see the operation, along

<sup>1</sup> V. I. Lenin, *Collected Works*, vol. 38, p. 362.

with the laws governing the development of different socio-economic formations, of so-called general sociological laws which are common to all formations or some of them. It is not surprising therefore that at the time of the scientific and technological revolution some common tendencies arise in the USSR (and in a number of other European socialist countries) and in the developed Western states. They are directly reflected in the technical sphere of production and its organization, in the professional and qualification structure of the working population, in the increasing proportion of brain workers and the urban population, in changes in the ratios of different sectors of the economy, etc. But these common tendencies operate in each society in their own way due to fundamental differences in the social and economic systems. Socialism as a higher type of social organization, for one thing, provides scope for more rapid growth of productive forces and, secondly, differs fundamentally in its socio-class structure and ways of its development.

Each historical formation has its own socio-class structure and, hence, its specific classes, social groups and strata.

The theories of "post-industrial" society are centred on the

intelligentsia claiming that this social group, or rather its elite, will inevitably gain dominant positions in society. A number of Western theoreticians identify the bourgeois intelligentsia with the intelligentsia in socialist societies. But in doing so they proceed from false premises and inevitably arrive at erroneous conclusions.

This does not mean that it is in general impossible to give some general definition of the intelligentsia as, say, a sum total of educated people, representatives of mental labour.<sup>2</sup> But this does not yet indicate its place in a concrete, historical system of economic relations, its social essence, which differs with the social system. In a bourgeois society the intelligentsia is heterogeneous in the class respect, embracing bourgeois, petty-bourgeois and proletarian intelligentsia. Lenin pointed out that under capitalism the distinguishing feature of the main part of the intelligentsia is individualism and this feature is intimately "bound up with its customary mode of life, its mode of earning a livelihood, which in a great many respects approximates to the *petty-bourgeois mode of existence*."<sup>3</sup> Important changes have come about in bourgeois society since the beginning of the century. Today a considerable section of the intelligentsia in

the developed capitalist countries are wage workers, but this does not mean, of course, that they are part of the working class. Present-day capitalism does not abolish the antithesis of physical and mental labour but only imparts new forms to it. While a significant part of the intelligentsia, especially wage labour, come close to the working class in their socio-economic status and objective interests, becoming its important ally in the political struggle, the top echelon of the intelligentsia becomes incorporated with monopoly capital championing its interests in the economy (as managers of different levels), in the state apparatus, in the system of judicature and law, in the sphere of education and culture.

In socialist society the intelligentsia is socially homogeneous. It is not yet complete homogeneity but it can be seen in the main thing, for under socialism the intelligentsia is a social group of working people doing mental work based on the social ownership of the means of production. Its homogeneity grows in step with the growth of the homogeneity of socialist society as a whole.

The second approach of bourgeois sociology, stemming from its study of the social structure of socialist society, is the random choice of criteria defining the essence of classes and social groups and strata

and the boundaries between them, etc. It uses the customary bourgeois criteria of social stratification applied to structural analysis of bourgeois society. "Stratification" of society can be done on the basis of widely differing criteria. Most often empirical sociology uses those which "lie on the surface" and are more readily measured quantitatively—the level of income, educational level, prestige, type of occupation, etc.

Marxist criticism long ago demonstrated the scientific insolency of such approach to the study of any society, be it bourgeois or socialist. In formulating the criterion of class and intra-class divisions Marxism proceeds from the socio-economic differences rooted in the different position of classes and social strata in a particular historical system of relations of production. These differences are then more concretely specified as differences with reference to the basic elements of the system of production relations: relations of ownership of the means of production, the role in the social organization of labour, the mode of sharing the social wealth and the size of the portion received. In particular, the intelligentsia is socially heterogeneous under capitalism precisely because the educated representatives of mental labour forming it stand in a different relationship to the means of production.

<sup>2</sup> See V. I. Lenin, *Collected Works*, vol. 7, p. 322.

<sup>3</sup> *Ibid.*, p. 267.

## IS THE INTELLIGENTSIA OPPOSED TO THE WORKERS AND PEASANTS?

The social differences existing between the working class, the collective-farm peasantry and the intelligentsia, between different strata within these basic social groups are differences of the place occupied in the system of socio-class relations in socialist society. These differences can give rise to certain non-antagonistic contradictions, which are being overcome as society develops, advances towards fuller homogeneity.

In capitalist society, on the other hand, the contradictions between town and country, between physical and mental labour, continue to grow. The latter contradiction is not being removed under capitalism today, but grows ever sharper. While a growing section of the working intelligentsia comes closer to the working class in its social position, its upper crust merges with the bourgeoisie, personifying the domination of monopoly capital. Anti-communists deliberately attribute these processes, typical of capitalism, to socialist society. The class differentiation of the intelligentsia in bourgeois society is used as a patently false pretext for opposing the socialist intelligentsia or a definite part of it to workers and peasants.

Bourgeois scholars lay emphasis on the fact that under socialism the intelligentsia retains certain internal social (and

not only professional) differences. Sovietology makes the most of the differences existing between organizational and executive types of mental labour and also between the most highly qualified section of the intelligentsia and the bulk of mental workers.

Most categorical in their judgements on the matter are representatives of the so-called left radical sociology which politically is associated with a motley set of "left" groups. Herbert Marcuse, the ideologist of the left extremists in the West, once viewed declassed elements and a certain part of students as the only "truly revolutionary force". The "leftists" oppose the radical part of the petty-bourgeois intelligentsia of the West to the working class which is said to have lost its "revolutionary thrust" and to have become "incorporated" into the capitalist Establishment.

In their analysis of the social structure in Soviet society the "leftists" likewise oppose the intelligentsia (or a part of it) to the working class. There is nothing novel about the attempts to proclaim the Soviet intelligentsia a "dominant class". Thus, back in the 1960s West-German sociologist R. Albert asserted something very similar, saying that the intelligentsia disposes of the property of the whole people as it sees fit.

Characteristically, the anti-Soviet "leftist" sociologists of all hues directly attribute the relations of bourgeois society to socialism. They disregard the fact that after the abolition of private ownership of the means of production capital and surplus value disappear and the proletariat ceases to be a class having to sell its labour.

Moreover, they confuse productive and socially useful labour. Marx used the concept of productive labour in a dual sense—with reference to the production of use value or value. Productive labour under capitalism is a labour producing surplus value. This is one aspect of this concept. Clearly, in this meaning the concept of productive labour is not applicable under socialism. Productive labour producing material values, use values, is a more general concept.<sup>4</sup> In this sense productive labour is an eternal condition for the existence of human society. However, productive labour, labour in the sphere of material production, being the main type of socially useful labour, is still not the only one. In his *Critique of the Gotha Programme*, criticizing Lassalle's petty-bourgeois views of "just distribution" in the future socialist society, Marx pointed out that under communism too a part of the aggregate social product must be set aside

"for the common satisfaction of needs, such as schools, health services, etc.", as "funds for those unable to work" and, lastly, "the general costs of administration not belonging to production."<sup>5</sup>

In socialist society the work of the intelligentsia engaged in the sphere of administration and services is undoubtedly socially useful labour and is rewarded by society in accordance with the general principle of distribution operating under socialism. As for those of the intelligentsia employed in the sphere of material production (engineers and technicians in industry and construction, agronomists and livestock specialists on collective and state farms and, now, also the growing numbers of scientific workers closely linked with production), their labour is productive. Expansion of the sphere of productive labour and involvement of a growing part of the intelligentsia in production collectives (including scientific intelligentsia, insofar as science is gradually turning into a directly productive force) are objective tendencies in socialist development. But, parallel to this, more and more intellectuals are engaged in socially useful labour in the sphere of culture, education, the health services, contributing their labour to the advancement of culture and education, to health

<sup>4</sup> See K. Marx, *Capital*, vol. I, Moscow, Progress Publishers, pp. 181, 509 et al.

<sup>5</sup> K. Marx and F. Engels, *Selected Works* in three volumes, Moscow, Progress Publishers, 1976, vol. 3, p. 17.

protection of the working people. Neither the one nor the other section of the intelligentsia opposes itself to the workers and peasants, contrary to the assertions of the West's "left radical" sociologists. If there is opposition in developed socialist society, it involves only those individual "dissident" intellectuals who have set themselves in direct opposition to the Soviet people.

Acting on the basis of the schemes of social stratification generally accepted in the West, bourgeois sociologists attribute to the stratum of people performing managerial (organizational) labour in socialist society, the right to "freely dispose" of the social product and appropriate an "unproportionally large" share of it. In this connection some bourgeois sociologists "unite" the intelligentsia and the Communist Party in one stratum standing above society. Thus, they say that Soviet intellectuals not only serve the Party but, "as the most educated part of Soviet society", render special help to the Party in such fields as education, propaganda and the struggle against bourgeois ideas. This is something "intermediate" between the earlier discussed variants, when either the entire intelligentsia (together with the Party) is opposed to the people, or only that part (referred to as the new "exploiters") which is engaged in organizational labour.

All these schemes, firstly, exaggerate and absolutize the real social difference between organizational and executive mental labour and, secondly, attribute to the managerial personnel the right to own the means of production. Both these premises are unfounded theoretically. The stratum of the intelligentsia performing organizational mental labour does, indeed, differ in its role in the social organization of labour from the majority of the intelligentsia doing executive mental labour. The stratum of organizers is recruited from qualified executives. The heads of enterprises, offices, as well as structural departments within these organizations are appointed with due consideration for the opinion of the collective. They work under the control of the primary party, trade union and other social organizations and regularly report on their work to the collectives. People's control bodies and the mass press make public and, if necessary, criticize, very sharply at times, the mistakes and malfunctioning of executives of all ranks. Executive personnel is constantly replenished by people who have shown themselves to be able organizers and who have earned high prestige in the collective. Managerial personnel in socialist society does not have any "right" to own the means of production.

As for labour remuneration, organizational labour of different

complexity and responsibility is on the whole (though not always) paid for at a higher rate compared with executive labour of the same qualification, for it requires additional knowledge, the ability to lead people and more time, strength and nervous energy. At present, the incentives for taking up an organizational job are lower in some departments because of lower salaries paid. Any "exploitation" based on "appropriation of the means of production" by organizers of production is out of the question in Soviet society.

\* \* \*

The fabrications of present-day Sovietologists about antago-

nisms in Soviet society between the intelligentsia, on the one hand, and the working class and the collective-farm peasantry, on the other, are being spread far and wide especially now, in conditions of growing international tensions and with imperialism waging psychological warfare against the USSR and other countries of the socialist community.

From the book *Developed Socialism and the Crisis of Sovietology*, Moscow, Nauka Publishers, 1982 (in Russian)

## THE "POOR" AND "RICH" COUNTRIES CONCEPT

by Ivan IVANOV

*The term "poor" and "rich" nations has recently been used a great deal in the press and at international conferences. The confrontation between them is said to be the key contradiction of our time. The Marxist-Leninist criteria dividing the world into two opposing socio-economic systems have always been relations of ownership and the mode of social production as determined not by the state itself, but by its ruling classes.*

*However, Marxism-Leninism has never discounted other theories treating of, or based on, ownership relations and has always assessed them. This is also true of the "poor" and "rich" countries theory.*

### THE CLASS-BASED APPROACH

Whenever class interests are supplanted by national state interests, the class struggle, by the logic of theory, must recede into the background, giving way to a "national accord" among all the strata of the population for the sake of success in inter-state competition. Accordingly, the need for revolutionary changes in individual countries is negated.

There are a great many cases in the history of both the working class and the national liberation movement when, as a result of national isolation, some of its national detachments opposed others thereby undermining the common international front of action, breeding national egoism, chauvinism, militarism, bellicose religious and ethnic ideologies, and giving rise to international conflicts. In such cases, only the ruling, exploiter classes stood to gain.

In our day, this national, isolationist, approach to the question of national wealth, its fetishization, is directly linked with the state-

---

Prof. I. IVANOV, D.Sc. (Economics), specializes in the problems facing the developing countries.

monopoly approach. "National accord" maintained in the name of this fetish, leads to artificially setting the working people's interests up against the developing countries' needs, the greater exploitation of the working class for the sake of success in inter-imperialist competition.

Moreover, the working class movement is thus distracted from the cardinal class question of how national wealth is distributed in the country. Meanwhile, even a cursory analysis reveals that the "rich" countries (according to this classification) are, in fact, polarized in terms of property, and one can find both extreme wealth and abject poverty within one nation and state. In the USA, for instance, the proportion of the population living below the official poverty line rose from 12 per cent in 1972 to 15 per cent in 1981. Some 30 per cent of Black Americans and 40 per cent of families with children under 18 lived in these conditions. Reagan's recent tax reform brings those with an annual income of \$ 80,000 and more, an additional \$ 15,000 a year, while those who earn \$ 10,000 and less<sup>1</sup> lose \$ 240 annually. In the FRG, a mere 1.7 per cent of the population own 70 per cent of the country's production assets. A similar picture is painted in other capitalist countries.

"Poverty" in the developing world should not be viewed as an abstract statistical national indicator, for it conceals social inequality even more striking than in the developed capitalist countries with their clearly polarized class structure. Thus, 5 per cent of the "elite" families appropriate 33 per cent of the GNP in El Salvador, 34 per cent in Sierra-Leone, 36 per cent in Bolivia and Senegal, 40 per cent in Colombia, 48 per cent in Peru, 50 per cent in Honduras, etc. The incomes of forty per cent of the poorer families account for 12, 10, 13, 10, 7, 9, and 7 per cent<sup>2</sup> of the GNP of those countries respectively.

Behind the facade of "national and state distinctions" is the general and rapid disintegration of traditional social structures and the forming of the local bourgeoisie or "pre-bourgeoisie" (aligning themselves with the aristocratic-bureaucratic elite), with the majority of the patriarchal population affected by these transformations joining the ranks of the lumpen-proletariat. It is obvious that, during disintegration and polarization, the interests of the ruling groups and the still exploited sections of the population in the national states lose increasingly more of the features they have in common, even

---

<sup>1</sup> *Newsweek*, April 5, 1982, pp. 37-38.

<sup>2</sup> Based on A. Adelman, C. T. Morris. *Economic Growth and Social Equality in Developing Countries*; Stanford, 1973, Table 1, p. 152; H. Singes. *The Strategy of International Development*, N.Y., 1975, Table 11, p. 187; E. Hagen. *The Economics of Development*, Ontario, 1975, pp. 230-231; *Redistribution with Growth*, London, 1974, pp. 8-9, 274; *World Bank and World Development*, 1981, Washington, 1981, pp. 181-183.

in the sphere of foreign economy. This is due to the fact that neither the independence nor the economic growth in the developing states where capitalist relations have been established have radically improved the position of the working people, who now only have new exploiters (and even then—not everywhere). Indeed, the ruling elite pockets the increase in the national income. And the richer the resources in a country or territory, or the more swiftly it makes progress, the more striking this polarization.

Thus, the local bourgeoisie, even when it acts as the nation's "leader" or, to be more exact, when it wields political power, is incapable of ensuring the true and all-round development of its national state or of completing its economic decolonization. In the "North-South" dialogue (which the proponents of the theory under discussion see as the main field of struggle of the oppressed and exploited peoples against foreign oppression and exploitation), the local bourgeoisie assumes increasingly narrow class positions, to the detriment of general national interests.

In the light of the above, it can be said that the "rich" and "poor" nations concept does not reflect today's realities; nor does it present a progressive approach to the search for ways of eliminating inequality and injustice in international relations, overcoming world crises and solving problems in the people's interest.

## TWO LINES IN TRADE AND DEVELOPMENT

Besides being untenable, as shown above, the bipolar demarcation of the modern world according to national wealth leaves out the fundamental question of the qualitative and social status of this wealth, and how it was accumulated. Hence, both imperialist and socialist countries are arbitrarily categorized with the "rich North", with complete disregard for the fundamental differences in their socio-economic systems, and the nature and substance of their relations with the liberated countries.

Three important features are disregarded here. First, the socialist system's boundaries are artificially confined to the zone of its industrially developed states whereas, in fact, it is a world system including (like the socialist community) a number of former colonies and dependencies. Another group of such states opted for socialist orientation or socialist development. As the authors of the theory would have it, in the dialogue between the "poor" and the "rich" countries, these two groups of states should be on opposite sides of the barricade which is absurd because, if this were so, they would also have to be divided into exploiters and the exploited.

Second, no mention is made of the fact that the national wealth of socialist society has been created by its peoples' labour. The automatic categorization of the socialist countries as members of the

"rich North" logically implies that their wealth has also been acquired through the exploitation of "poor" nations, which is not true.

Third, such a division distorts the true picture of the modern world, in which, as well as two forms of ownership, there are two different types of relationships with the developing states. Striking proof of this is the socialist countries' trade and development policy which sharply contrasts with the imperialist powers' course.

Take, for instance, the programme for a new international economic order (NIEO), an important initiative put forward by the developing countries.

Western diplomacy has recently done everything possible to emasculate the main clauses of this programme. Under the pretext of a crisis, the United States, Western Europe and Japan have erected, on their markets, protectionist barriers to exports from the young states. Interest on loans keeps growing and credit is granted on increasingly heavy terms. Non-tariff barriers, 280 of them, have been raised in this field. The average interest rate increased from 4 per cent in 1965 to over 15 per cent in 1982. Repayment deadlines were decreased from 20 to 14 years and privileges cut from 40 to 7 per cent.

The socialist countries' idea of the NIEO also naturally differs from the developing nations' programme. Relying on its historical and class experience, socialist diplomacy calls the attention of the authors of the programme to the inconsistent and contradictory character of some of its provisions, notably, the imbalance of development and detente, the foreign economic reforms not backed up by domestic transformations, the restriction of the programme's demands to purely national interests. In actual fact, all the elements of world trade, where discrimination, diktat, etc. prevail, require restructuring.

The Soviet Union, reads the Soviet government's statement on restructuring international economic relations, "treats with understanding this broad programme of measures which reflects the developing countries' immediate and long-term interests, and subscribes to its basic provisions".

In contrast to the Western obstructionist stand, the socialist countries formulated their constructive allied position on various aspects of the NIEO. They advocate the unreserved recognition of the developing states' sovereignty over their resources and economic activity (the West, incidentally, proposes trampling their sovereignty underfoot to suit the interests of international monopolies). As for trade in raw materials, the socialist community is prepared to negotiate the normalization of trade in basic commodities that are of interest to the developing nations (the Western countries insist upon partial normalization, including only commodities whose prices

are no longer controlled by their transnationals). In the trade in ready-made articles the Western protectionist policies are countered by the steady growth of exports from the developing states to the CMEA member countries. The USSR abolished all customs duties on imports from the developing nations back in 1965. While Western corporations are resorting to the brain drain in the developing countries, the socialist countries are training specialists for these countries on a large scale (about 1.25 million people in all). The Soviet Union does more to help the developing states overcome their economic backwardness than any of the advanced capitalist countries.

Over the tenth five-year plan period, the volume of Soviet technical assistance grew by more than 70 per cent, with all the benefits and privileges practically preserved. At the same time, the share of the capitalist countries' government agencies in this assistance declined and the terms of transferring technology to the developing nations were tightened up.

Finally, complying with the wishes of developing countries, the socialist states agreed, in 1980, to participate in the UN "global talks" on the key NIEO questions. The Western countries pledged to follow suit at their meetings in Cancun in October 1981 and in Versailles in June 1982, but their promises came to nothing. Moreover, some people in the West urge that these talks be held outside of UNO.

It is thanks to the socialist countries' support that the developing states were able to secure the UN adoption of meaningful resolutions on their problems—The Charter of Economic Rights and Duties of States, a series of anti-colonialist resolutions, condemnation of the apartheid regime, and approval of the NIEO programme. Outlining Soviet foreign policy, Yuri Andropov, General Secretary of the CPSU Central Committee, stressed that "solidarity with the states liberated from colonial oppression and upholding their independence has been and remains one of the fundamental principles of Soviet foreign policy."

### A FEW CONCLUSIONS

One can more or less understand attempts made by the developing countries, with their ideology, which is still in the making, with their transitional, multi-structural economies, to give a broad political interpretation of the "rich" and "poor" states, all the more so since this usually takes the form of spontaneous slogans issued by their collective economic diplomacy. But can one explain the fact that the calls for elevating these geographical notions to the rank of world development categories come not so much from the "poor" nations themselves as from the capitalist countries, from the headquarters of their transnational corporations?

Obviously enough, these calls are aimed at misrepresenting socialism's role in world development, at relieving the imperialist powers of their responsibility for a whole era of colonial plunder, at sowing discord between socialism and the national liberation movement, disuniting these two allied streams of the anti-imperialist struggle, and reviving the theory of the "convergence" of socialism and capitalism, this time, in the face of the demands of the developing nations. "We shall never accept, either in theory or in practice," Andrei Gromyko pointed out, "the false concept dividing the world into 'poor' and 'rich' countries, which equates the socialist states with the other, well known states that have extracted large quantities of natural resources from countries under the colonial yoke."

The analysis of the theory under review prompts the following conclusions. To be successful the movement for economic decolonization, for a new status of the developing nations in world economics and politics, and for overcoming poverty and backwardness should be anti-imperialist, since its enemy is not some vague "rich North", but "an alliance of the imperialists of all countries . . . an alliance whose natural and inevitable aim is to defend capital, which recognizes no fatherland."<sup>3</sup>

The struggle against this cosmopolitan opponent must be waged on an international, not a national or state scale. In waging this struggle, "... one must not think only of one's own nation, but place above it the interests of all nations, their common liberty and equality. . . he must fight against small-nation narrow-mindedness, seclusion and isolation, consider the whole and the general, subordinate the particular to the general interest."<sup>4</sup>

Further. This movement must be democratic and mass-based, but it should dissociate itself from casual passers-by, even when they claim leadership in it. Also, its mass character, the fact that a cross-section of the population are drawn into it demand that its programmes and slogans be clear-cut, consistent and historically progressive, "in order not to lose. . . way in these zigzags, these sharp turns in history, in order to retain the general perspective."<sup>5</sup>

As for Marxists and revolutionary democrats, they should not renounce the struggle for immediate aims. For them "every struggle for every matter of the moment must be intimately connected with basic aims."<sup>6</sup> "They are hastening the collapse of the petty-bourgeois nationalist illusions that nations can live together . . . in equality under capitalism"<sup>7</sup>, illusions which are current among the masses, particularly among the non-proletarian masses, and which

<sup>3</sup> V. I. Lenin, *Collected Works*, vol. 27, p. 366.

<sup>4</sup> *Ibid.*, vol. 22, p. 347.

<sup>5</sup> *Ibid.*, vol. 27, p. 130.

<sup>6</sup> *Ibid.*, vol. 19, p. 45.

<sup>7</sup> *Ibid.*, vol. 31, p. 147.

the national bourgeoisie in the liberated countries seeks to perpetuate.

In this context, it is not the confrontation between the "rich" and "poor" countries but rather the class element dominating the international relations that can eliminate inequality and unfairness in these relations, for the existing "property relations involve the exploitation of some nations by others".<sup>8</sup>

"In proportion as the antagonism between classes within the nation vanishes, the hostility of one nation to another will come to an end."<sup>9</sup>

These lines from the Communist Manifesto guide the Communist and workers' parties in their policy concerning the complex and contradictory movement for economic decolonization and its ideological arsenal.

*Mirovaya ekonomika i mezhdunarodniye otnosheniya*, No. 1, 1983 \*

<sup>8</sup> K. Marx and F. Engels, *Collected Works*, Lawrence and Wishart, London, 1976, vol. 6, p. 388.

<sup>9</sup> K. Marx and F. Engels, *Selected Works* in three volumes, Moscow, Progress Publishers, 1976, vol. 1, p. 125.

## THE PROBLEM OF POVERTY AND BOURGEOIS PRESCRIPTIONS

by Yuri DOSTOVALOV

*In the newly-free countries following the capitalist road the domination of private ownership and different forms of the exploitation of man by man inevitably lead to economic and social inequality and mass poverty compounded by the colonial past, neo-colonialism, economic plurality, survivals of tribal and feudal structures and a low general level of the productive forces.*

### AN UNAVOIDABLE ATTRIBUTE OF CAPITALISM

Bourgeois economic science widely comments on the problem of poverty, differentiating it according to its level (absolute and relative)<sup>1</sup> and locality (urban and rural). In the view of bourgeois scholars, this differentiation is dictated by differences in the level of economic development, investment rates and their effects in urban and rural areas. Urban and rural pauperism have their specific features, of course, but one fundamental aspect is common to both: in either case the poor do not have their own means of production, are deprived of elementary living conditions and are not

free to choose their occupations. They form a part of the exploited class and have a common stake in abolishing the conditions responsible for their miserly existence. And so, any analysis of poverty, rather than differentiating urban and rural pauperism, should lay bare the deep-rooted causes of its origination and growth.

The bourgeois analysis of these causes sometimes criticizes the governments of the newly-free countries for practising a non-effective system of income distribution. But bourgeois ideologists forget that "distribution itself is the product of production".<sup>2</sup>

<sup>1</sup> According to the criteria of the International Bank for Reconstruction and Development (IBRD), "absolute poverty" corresponds to the annual personal income of 50 US dollars and lower (at 1971 prices); "relative poverty" implies personal incomes in excess of this level but not more than by one-third.

<sup>2</sup> K. Marx and F. Engels, *Collected Works*, vol. 46, Part I, p. 32 (Russian Edition).

Prof. Y. DOSTOVALOV, D.Sc. (Economics), is head of the social sciences department at the Higher School of the Trade Union Movement, All-Union Central Council of Trade Unions.

They give all sorts of prescriptions. Government measures against urban poverty, they maintain, should be aimed at lowering rural-urban migration, which has reached dangerous proportions creating, instead of concealed unemployment, open or general unemployment. Thus, R. McNamara, once IBRD director, sees the solution in expanding the traditional sector. In his view, a strategy claiming to be realistic should be aimed first of all at creating new jobs for the poor in the traditional sector.

Measures to restrain migration to towns are, possibly, really needed. But the problem cannot be solved if the anti-poverty strategy is confined to these measures, for it is impossible to bring back to the traditional sector people driven from it by different circumstances. The traditional sector cannot be boosted by any particular measures, for it embraces backward structures based on hard manual labour, primitive tools of production and archaic technology, on the parallel existence of modern and semi-feudal, tribal relationships.

Many economists see the causes of

poverty in the newly-free countries only in the centuries-old backwardness of agricultural production. They qualify poverty as a "complex of vicious circles" when low incomes of producers do not yield any savings without which it is impossible to replace backward technology by modern, more productive technology and, consequently increase output, so that lifting people from poverty is out of the question.

These conclusions are unscientific and at odds with the facts and the experience of countries which have found the solution. The recommendations based on these conclusions do not say anything about the real cause of poverty. Rural and urban development as such will not solve the problem of poverty if the old economic relations persist and capitalist relations continue to develop. The main cause of poverty, as of unemployment, exploitation and inequality, is not the backwardness of agriculture or any other branch of production. Poverty is an unavoidable attribute of capitalism and, as long as it exists, poverty will continue in its different forms.

#### INEFFECTIVE RECOMMENDATIONS

The numerous programmes for combating poverty proposed by bourgeois ideologists imply the continuing economic inequality of classes and social groups. At the same time, bourgeois ideologists often advocate state regulation of incomes through their redistribution fearing the possible reduction of investments by the richest section of the population. They do not say a word about the irreconcilable interests of antagonistic classes and play up the "universal benefit" of economic growth.

In the 1970s they formulated a series of programmes to create favourable conditions for the rapid growth of production and simultaneous stabilization of the incomes of the richest ten per cent of the population over a period of several years. Investments were to be made mostly in sectors of the economy whose accelerated development would benefit

the poorest 40 per cent of the population. To overcome the poverty some programmes envisaged measures controlling the population growth.

The humane aims of these programmes remain unrealized in view of the disparity of the interests of different classes and social groups in the newly-free countries. Some elements of the programmes, just as their goals, are mere declarations not supported by any real measures and they are frantically resisted by the privileged classes. Kenya, for instance, has one of the lowest per capita income indicators and the biggest income inequalities among the countries of Central Africa. The interests of the top 10 per cent of the population which in June 1975 owned 54.9 per cent of the gross domestic product, are at variance with the interests of other sections of the population and society as a whole. The top 10 per cent live on

unearned incomes and invest money not in the farms or in the spheres which might benefit the poorest section of the population but in the spheres promising the highest profits.

The glaring contradictions of the programmes and their general discordance with the laws of capitalist development make them unworkable. The conceptions preaching (in the absence of real support) guaranteed employment, the need of economic planning and control over production and distribution are therefore empty words. Indeed, to reduce income inequalities between different social groups on the private ownership basis, through encouragement of foreign investments and complete abandonment of nationalization of the biggest enterprises (i.e., creation of a powerful state sector) means acting in the interests of big capital.

The real aim of the bourgeois prescriptions is to keep the newly-free countries in the capitalist system and bourgeois scholars see the only way of doing this by introducing measures that would perhaps achieve a rather modest restriction of the inordinate wealth of some and the transfer of the funds thus released to others.

In their conceptions of the provisions being made for state regulation for the benefit of the poor, bourgeois economists offer different ways of introducing it. Almost always they emphatically deny the need for nationalization of the land and the basic means of production, quoting the supposed inefficiency of state-run enterprises in a number of newly-free countries, and exaggerate the hazards of this step. Land nationalization can well serve as a foundation for subse-

quent agrarian reforms, but deep-rooted private landownership presents serious opposition to it in a number of newly-free countries. Wherever governments have extended all-round support to collective and state farms, they became a model of effective land use. The character and the aims of nationalization depend on whose interests it serves and the orientation of development. After liberation from colonialism nationalization is an important and big step towards economic independence. The state sector created in this way is sure to become the basis of social-economic transformations, reducing income inequalities and raising the lowest incomes not on paper, but in real life.

Some bourgeois scholars advocate agrarian reforms which would result in a "considerable reduction of rural poverty". In their view, a land reform or "redistribution" generally is a preliminary condition for the growth of agricultural production. Agrarian reforms have been carried out almost in all newly-free countries, but they suffer from one common drawback— inconsistency. Experience shows that these reforms, undertaken on the basis of private ownership of the land and basic means of production, cannot be completed for they are universally resisted by big landholders.<sup>3</sup> Such reforms must envisage progressive social forms, first of all cooperatives, for ensuring a rapid growth of labour productivity.

Bourgeois ideologists assign an important role in income redistribution to taxation, seeing it as a major lever for reducing income inequalities and achieving "fair" distribution. However, as a rule, the taxation system in the newly-free countries does not serve

<sup>3</sup> A typical example is offered by Pakistan, which became independent in 1947 but which launched an agrarian reform only after 1971, establishing land ceilings at 100 acres of irrigated land and 200 acres of non-irrigated land. The surpluses were to be transferred to landless peasants. But employing all sorts of ruses (land transferred to relatives, forgeries and bribes), big landowners continued to have 500-600 acres of land in their possession. As a result, out of the two million landless peasant families only 130,000 received land. In West Malaysia a substitute for an agrarian reform was the restricted policy of "fair redistribution" in the form of bigger allocations for agriculture. The poor peasants did not benefit at all and their conditions were not improved.—Yu.D.

this task, since the growth of tax rates falls far short of the growth of taxed incomes. The state gives a considerable part of the taxes taken from the rich back to them owing to the operation of an "intricate" system of tax benefits for the employers. The exploiter state caters to the interests of the affluent sections of society in its redistribution policy. The taxation system has the aim of increasing income concentration rather than lowering it. Those in office, seeking personal enrichment, are often inconsistent in operating the taxation system. As a result the disparities in incomes become wider.

\* \* \*

The strategy of "redistribution and growth" divorced from real relations of production is impracticable in the newly-free countries. On the other hand, Marxist-Leninist theory has offered clear-cut recommendations followed by socialist-oriented countries for consistent reorganization of the

developing economy with the long-range goal of reducing and eliminating poverty and raising the working people's well-being. "These include", as the 26th Congress of the CPSU pointed out, "gradual elimination of the positions of imperialist monopoly, of the local big bourgeoisie and the feudal elements, and restriction of foreign capital. They include the securing by the people's state of commanding heights in the economy and transition to planned development of the productive forces, and encouragement of the cooperative movement in the countryside. They include enhancing the role of the working masses in social life, and gradually reinforcing the state apparatus with national personnel faithful to the people. They include anti-imperialist foreign policy. Revolutionary parties expressing the interests of the broad mass of the working people are growing stronger there."

*Voprosy ekonomiki*, No. 9, 1983 \*

## THE ECONOMIC ROLE OF TRADE UNIONS IN THE WEST

by Alexander WEBER

*A sharp political and ideological struggle is developing around the economic role of trade unions, against the background of the deepening general crisis of capitalism. It is reflected, among other things, in the clash of differing theoretical concepts and standpoints. Debates on the impact of trade unions on the economy of capitalism have a long-standing history. They have given rise to a great deal of literature, a whole system of bourgeois concepts amounting essentially to preaching "social peace", "moderation", and the subjugation of trade unions to the logics of capitalism. In particular, their activities, it is claimed, have a negative effect on the economy. Is that really the case?*

### TRADE UNIONS AND WAGES

The inevitability of struggle between labour and capital over wages results from the antagonism of their interests. In his pursuit of profit, the capitalist seeks to make maximum use of temporary labour and to reduce expenditure on it to a minimum. The worker, on the other hand, has a vested interest in expending his energy in production within reasonable limits, and in being adequately remunerated for his work.

There is a number of factors aggravating the situation of hired workers. These include competition between them, thereby weaken-

---

A. WEBER, Cand.Sc. (History), specializes in the field of the international working class movement.

ing their bargaining position in relations with their bosses; monopoly of demand for labour on local labour markets; "entrepreneurs' solidarity" enabling them to lessen or even end competition for labour, thereby precluding a rise in wage rates; discrimination against considerable sectors of working people (ethnic and racial minorities, women, youth), etc.

Even bourgeois economists have to admit that the labour market is highly "imperfect", i.e., that it is very far from the notion of market equilibrium. Long before these admissions were made, Marxism proved that capitalist market conditions place the worker in a situation in which wages show a constant downward trend, as compared with the cost of labour. Under the circumstances, united and organized action on the part of the hired workers is an indispensable condition for ensuring that their wages rise.

It would seem that the impact of an organized labour movement on the level of wages is beyond any doubt. Worth noting is the rather unique research carried out by R. Ozanne,<sup>1</sup> an American professor. Taking International Harvester, a large American company, by way of illustration, he gives a concrete historical and economic analysis of wage dynamics from 1860-1960. In addition, he provides parallel data on the US manufacturing industry as a whole.

He concluded that in economically comparable years ("prosperity"), the average annual growth rates of real hourly earnings were greater in periods of high, rather than low, trade union activity. In the case of International Harvester they were 3.9 per cent and 0.1 per cent respectively. The relevant figures for the manufacturing industry as a whole were 3.6 and 1.3 per cent respectively.<sup>2</sup>

A series of empiric studies begun in the USA in the early 60s indicated that, in comparable conditions, the wage rates of workers who are union members are higher than those of non-union members. As for the late 50s, the difference amounted, on average, to 10-15 per cent.<sup>3</sup> This indicator is considered true for the subsequent period as well.<sup>4</sup> Some authors, however, believe it is somewhat exaggerated, but most more recent studies give even higher figures—20-25 per cent.<sup>5</sup>

In this case, it is implied that unionized workers achieve wage increases at the expense of non-union workers. However, bourgeois

<sup>1</sup> R. Ozanne. *Wages in Practice and Theory*. McCormick and International Harvester, 1860-1960, Madison, University of Wisconsin Press, 1968.

<sup>2</sup> *Ibid.*, pp. 68-69.

<sup>3</sup> A. Rees. *The Economics of Trade Unions*, Cambridge, 1962, p. 79; H. G. Lewis. *Unionism and Relative Wages in the United States*, Chicago, 1963, p. 193.

<sup>4</sup> *Fortune*, July, 12, 1982, p. 61.

<sup>5</sup> E. J. Burt. *Labor in the American Economy*, N.Y., 1979, p. 337.

economists' attempts to single out the factor of trade union impact in its "pure" form should be assessed critically.

First, trade union activity also affects the wage level of non-union members. We are talking of the so-called "threat effect", which means essentially that when market conditions are favourable entrepreneurs employing non-union members are compelled to raise their wages, otherwise they may lose experienced and skilled labour. Moreover, they fear the setting up of a trade union at their enterprise or the possibility of non-union members joining the existing one.

Second, the broader the ranks of trade union membership, the more workers involved in collective bargaining, the more proportionately their influence is distributed among different sectors and trades, then the more difficult it is to control wage fluctuations determined by external factors.

Ignoring or underestimating these circumstances not only weakens the impact of workers' organizations on wage formation but also distorts the general picture.

Practical experience thus confirms the impact of trade unions on the general level of real earnings, as is seen from Ozanne-compiled data. Understandably, the degree of this impact may vary extensively, depending on the ratio of strictly economic (market) and "purely power" factors.

## DOES STRIKE ACTION CONTRIBUTE TO CAPITALISM'S DIFFICULTIES?

There is another argument which is widely held among bourgeois political economists. They claim that trade unions upset the working of the price mechanism and take labour out of the sphere of competition. It is also alleged that the existence of monopolies is compatible with "market freedom". In actual fact hired labour has invariably been subjugated, dependent and unequal—and all the more so under monopoly domination.

Even as members of trade unions, hired workers are not capital's "equal partners" on the market. It is no accident that the attempts to liken trade union power to that of monopolies, cartels, trusts, etc., give rise to outright protests even by authors who are far from Marxism. "...In its merely economic action capital is the stronger side,"<sup>6</sup>—this thesis of Marx is still relevant today.

<sup>6</sup> K. Marx and F. Engels. *Selected Works* in three volumes, Moscow, Progress Publishers, 1976, vol. 2, p. 73.

Under the circumstances, of particular importance for hired workers is their right to strike, as it provides them with a much-needed tool in their economic struggle in the conditions of capitalism. What are the economic consequences of all this? Is it true that strike action, or the threat of it, compounds capitalism's difficulties, as bourgeois experts claim?

The facts show that direct economic losses resulting from strikes are generally insignificant, comparatively speaking. Thus, in the USA (where strikes usually last longer than in Western Europe), the total working time lost as a result of strikes in 1926-1972 amounted to less than 0.3 per cent annually over most of that period. Over the same period the figure only twice exceeded one per cent (in 1946 and 1966), and only on five occasions did it top 0.5 per cent.<sup>7</sup>

The authors of the American textbook on labour economics, which contains these data, admit that the overall number of strikes, strikers and the number of working days lost, especially in certain years, is impressive. And yet, they conclude that economic losses resulting from strike action are relatively unimportant.<sup>8</sup> Newspaper headlines are confusing, they insist. Long strikes in the coal, steel and car industries did indeed entail sizable losses in production, profit and wages. But a subsequent analysis indicated that by the beginning of strike action the level of production, profit and overtime was higher than usual, and it remained just as high after strikes.

In explaining the operation of this compensatory mechanism, A. Rees, an eminent American expert on labour economics, says that on most occasions strikes do not entail a total loss in production. A loss incurred in, say, one enterprise in a major industry is made up for by increased production in other rival enterprises. If a strike threatens a whole industry, measures are normally taken in advance to increase production. Once a strike has ended, the production level will remain higher than usual for a certain period. Materials can be supplied to other enterprises during a strike from stocks, which can be replenished later.<sup>9</sup>

Even though strikes in the USA tend to last longer than do strikes in other countries, says another author, they normally do not result in any substantial economic harm.<sup>10</sup> The trade union press cited instances when union demands were initially turned down under the pretext of financial difficulties. But later, when these de-

<sup>7</sup> J. M. Kreps, G. G. Somers, R. Perlman. *Contemporary Labor Economics*. Belmont (Cal.), 1974, p. 193.

<sup>8</sup> *Ibid.*, p. 195.

<sup>9</sup> A. Rees. *The Economics of Trade Unions*, pp. 32-33.

<sup>10</sup> *Labor in the Twentieth Century*, Ed. by S. Dunlop and W. Galenson, N.Y., 1978, p. 83.

mands were met following a strike or the threat of it, it turned out that the companies' profits, far from falling, even rose. Thus, following the 1959 steel strike in the US—the industry's longest, lasting 116 days—the total net profit of the leading steel producers amounted to \$ 816 million, or 5 per cent more than in 1958.<sup>11</sup>

True, strikes may do entrepreneurs a lot of harm. This is especially so during boom periods marked by a growing demand for commodities and services. But, as a matter of fact, the economy as a whole does not suffer much from strikes. The point is that they normally affect individual enterprises or companies. Only a few strikes are held on an industry-wide or national scale, and they are relatively short at that. Like the elements, writes the American economist J. W. Kendrick, strikes may effect short-run changes in production and productivity, but not the longer-term trends, as a rule.<sup>12</sup> Significantly, the attempt once made by Chamberlain and Schilling to measure the social and economic losses resulting from strikes in relative terms yielded a rather surprising result: out of the 17 strikes (the USA, 1946-1950) they examined, only 3-4 produced a maximum effect, while the rest had the minimum of effect.<sup>13</sup>

While deliberately overstating the economic losses resulting from strikes and doing everything to dramatize their consequences in terms of "society's interests", the enemies of the labour movement pass over in silence the fact that losses from crises, unemployment and running below capacity are much greater than any losses from strikes. It is common knowledge that economic policy based on monetarism has deepened the 1980-1982 crisis. According to Professor W. Nordhaus of Yale University, this economic policy intentionally idled 9 million people and wasted \$ 350 billion annually in lost output<sup>14</sup> which ran into some 11 per cent of the actual value of the US Gross National Product in 1982. As a matter of fact, this is a minimal estimation, as it does not include the economic losses directly related to mass unemployment (payment of benefits and allowances, etc.). In comparison, the presumed losses from strikes (on average, not more than 0.3 per cent of the total worktime annually over the past 50 years) are insignificant. Naturally, this concerns the entire capitalist world.

Equally feeble are the arguments of those who maintain that unfavourable economic consequences arise from regulating labour re-

<sup>11</sup> *Challenges to Collective Bargaining*, Ed. by L. Ulman, Eaglewood Cliffs, 1967, p. 167.

<sup>12</sup> J. W. Kendrick, E. S. Grossman. *Productivity in the United States. Trends and Cycles*, Baltimore, 1980, p. 21.

<sup>13</sup> N. W. Chamberlain, J. M. Schilling. *The Impact of Strikes. Their Social and Economic Costs*, N.Y., 1954, pp. 241, p. 243.

<sup>14</sup> *The New York Times*, December 26, 1982, p. F3.

lations through collective bargaining. Opponents of the labour movement claim that trade unions "upset" the normal wage structure by their actions and bring about "inflated" production costs, thereby entailing a redistribution of resources. These allegations are abstract. But even if they were to be taken seriously what would such losses amount to?

The attempts to put a figure on the presumed losses resulting from the redistribution of resources, "imposed" by the trade unions, are well known. According to one estimate dating back to the end of the 1950s, they amount to a mere 0.14 per cent of the GNP. According to another, later estimate, the trade-union caused "inefficiency" in resource allocation diminishes "aggregate welfare" (?) by 0.33 per cent.<sup>15</sup> The figure is very small, as we can see. It is dozens of times less than the losses caused by economic crises, let alone other manifestations of capitalist extravagance such as militarism.

Thus, the "arguments" of bourgeois propaganda alleging that trade union actions have a harmful effect on the economy are based on false premises. Their purpose is to justify the anti-labour and anti-union policies of big capital.

*Rabochy klass i sovremenny mir,*  
No. 4, 1983 \*

## FASCISM IN LATIN AMERICA

by Karen KHACHATUROV

*Latin American fascism emerged as a reaction of US imperialism and the right-wing local bourgeoisie to the acute demarcation of class forces, the utter failure of the capitalist model of development and the fact that a considerable proportion of the population and the overwhelming majority of working people, primarily the working class, have opted for socialism as the only realistic prospect of social development. This, among other things, is the subject of the book entitled "Latin America: Ideology and Foreign Policy" which was published by Moscow's Mezhdunarodniye Otnosheniya Publishers in 1983.*

### FROM DESPOTISM TO FASCISM

Many Latin American countries are ruled by military-police, rightist authoritarian regimes, including fascist ones.

Rightist authoritarian regimes emerged immediately after the Latin American states had gained their political independence as a result of the struggle for unlimited political power between various semi-feudal clans of the oligarchy represented by big landlords and later by the bourgeoisie. Historically, these regimes provided the foundations for the political power structure in most countries of the region. They employ non-

constitutional methods of government and are outright terrorist dictatorships of the ruling classes. The political nucleus of this kind of government is the state's repressive apparatus run by the military and bureaucratic elite. A feature which the military-police regimes have in common is their external dependence upon imperialism, primarily US imperialism.

In the ideological field, the rightist authoritarian regimes do not tolerate any trends of political thought different from theirs. Even the slightest deviation from the official doctrine is

<sup>15</sup> C. Mulvey. *The Economic Analysis of Trade Unions*, Oxford, 1978, p. 138.

Prof. K. KHACHATUROV is a Doctor of History.

regarded by the authorities as "subversive communist activity". The dictatorial regimes foster an atmosphere of ideological regimentation, and the blind belief that the multistage social pyramid is eternal. Their common attributes are ultra-right nationalism, the preaching of national exclusiveness growing, in larger countries, into great-power chauvinism. All rightist authoritarian regimes are characterized by militarism and the striving to use the punitive function of the army for maintaining "social stability".

The entire history of political and ideological life on the continent is permeated with the cult of caudillo, the supreme leader. The ideological apparatus of the rightist authoritarian regimes deified dictators who sometimes ruled their countries for decades, and ascribed to them the traits of "supermen". Exploiting the ignorance of the masses and the fact that mythology had a profound influence on them, the ideological henchmen of a particular dictator claimed that his was the messianic mission and that his rule was of semi-divine origins, and had magnetic qualities. Thus, Duvalier Senior, the late dictator of Haiti, was known as a "great electrifier of human souls", and the Dominican tyrant Trujillo, fittingly nicknamed "the Caribbean Sea jackal", was referred to as the "anointed one". Equestrian statues and mass-produced busts of a dictator, his portraits on banknotes, and cities

named after him are all features of the personality cult.

However, the "classical model" of the rightist authoritarian regimes in Latin America is a thing of the past rather than today's reality. Almost all caudillo-type regimes were swept away by the revolutionary wave in the late fifties and early sixties. Imperialism and the local ruling classes responded to the mounting revolutionary process by toppling the constitutional governments and replacing them by right-wing authoritarian regimes, including fascist ones, in Bolivia (1971 and 1980; eventually this country took the path of democratic development), and in Uruguay and Chile (1973). In the last third of the twentieth century the fascist power structure has emerged as a reality in Latin America.

As a state system, Latin American fascism is the most reactionary of the rightist authoritarian regimes. At the same time, fascism, as a social phenomenon, ideological trend and power structure has relatively distinctive features.

Progressive scholars have defined the main distinctive features of Latin American fascism in different ways. Some of them describe the political systems in a number of Latin American countries ruled by fascist-type dictatorial regimes as "authoritarian, corporate military regimes" which does not reveal the social nature of fascism; others use the term "military-fascist

regime" which limits the class basis of fascism and reduces it to militarism. The term "neofascism" is also inappropriate because fascism in Latin America is, as it were, "first gene-

ration" fascism. The term "semi-fascist regime", stressing the transitional state, the process of a state system turning fascist, does not convey its social substance.

#### —THE ESSENCE OF LATIN AMERICAN FASCISM—

What are the features distinguishing Latin American fascism from the militaristic despotism regimes of the past and from present-day rightist authoritarian regimes; what are its nature, hallmarks, essence and goals?

First of all, although Latin American fascism has specific features it is far from being unique. The definition of fascism given at the 7th Congress of the Comintern<sup>1</sup> (1935) as "an open terroristic dictatorship of the most reactionary, most chauvinistic, most imperialist elements of finance capital" is still fully applicable to Latin America today. Georgy Dimitrov<sup>2</sup> stressed then that fascism is "the armoured fist of international counter-revolution". Despite the fact that the development of fascism and fascist dictatorship take different forms in different countries, G. Dimitrov pointed out, it does not change its class essence as an international force operating in the interests of extreme imperialists.

Unlike the "classical" rightist authoritarian regimes, fascism does not have a semi-feudal basis; it relies upon the big bourgeoisie, including state-monopoly capitalists dependent on US imperialism. At the same time, big land owners, the military and reactionary bureaucracy provide the social base for Latin American fascism, in "supporting roles", so to speak. Luis Corvalan, the leader of the Communist Party of Chile, clearly defined the new class base for fascism that emerged in Latin America: "Part of the local bourgeoisie, mainly the financial bourgeoisie, has become an element of the system of imperialist exploitation, and imperialism is increasingly becoming a 'domestic' factor in quite a few countries of the continent. This has led to the emergence of a new class base for fascism in Latin America, namely: the alliance between imperialist monopoly capital and domestic clans".

Second, Latin American fascism is similar to "old-time"

<sup>1</sup> Comintern—the Communist International, in 1919-1943 the international revolutionary proletarian organization that comprised the Communist parties of different countries.

<sup>2</sup> Georgy Dimitrov (1882-1949)—an outstanding leader of the Bulgarian and world communist movements.

European fascism in that they pursue the same aim of getting out of crises by establishing an open terrorist dictatorship of the most reactionary sector of the monopoly bourgeoisie. As Rodney Arismendi, leader of the Communist Party of Uruguay, pointed out, fascist regimes came to power in Latin American countries as the result of counter-revolutionary coups staged to disrupt the nascent anti-imperialist and democratic processes and forestall the possibility of advanced democracy's future victories in a situation marked by the growth of anti-imperialist and working class forces.

In Latin America preventive social counter-revolution in the form of fascism coincided in time with the system's extreme structural instability, a relative equilibrium between the forces of the bourgeoisie on the one hand and of the proletariat and its allies on the other, with the upsurge of class struggle, exacerbation of the battle between revolutionary and counter-revolutionary forces, the growth of the political awareness and activism of broad strata of the population and the counter-offensive mounted by internal and external reaction.

Third, Latin American fascism is characterized by its external dependence on US imperialism. US imperialism is not only the instigator of reactionary coups. It is also an external social mainstay of fascist regimes. This is manifest first and foremost in the integration of

US monopoly capital and transnational monopolies with the anti-national bourgeoisie of Latin American countries.

Fourth, Latin American fascism, just as any brand of fascism, is an open terrorist dictatorship. It has demolished the state apparatus established by the bourgeoisie under constitutional regimes, destroyed the bodies of legislative and judicial authority, dissolved political parties, declared war upon its own citizens and unleashed bloody terror. As distinct from European fascism, Latin American fascism does not have a mass following, including political parties, and it puts its stake predominantly upon the military.

The armed forces, primarily the officer corps, are the traditional and mass base of the rightist authoritarian regimes. The chief function of the army is to perpetuate the power of the finance and landowner oligarchy and to nip the revolutionary movement in the bud. The armed forces in Latin American countries have long ceased being an instrument of defence against external enemies and have assumed mainly punitive functions. Over the past twenty years, over one million Latin Americans have been killed by the military and police and tens of millions have been imprisoned. Under the false pretext of having to counter a "communist threat" on a world-wide and Latin American scale, the generals have

been clamouring for building blocs based on the doctrine of a "concurrence of ideologies". This is aimed at justifying mili-

#### — ANTI-COMMUNISM—THE IDEOLOGICAL DOCTRINE —

Latin American fascism resorts to all sorts of ploys. True, it has temporarily managed to win over a part of the large intermediate strata of the population discontent with economic hardships and scared by the false propaganda of an imminent "communist conspiracy". Using social mimicry fascism, parading under the slogans of "modernization" of society and "development" of the economy, is seeking to pull out of the structural crisis and retain its undivided domination using "positive" methods. But here too, fascism inevitably suffers a defeat for the state form of the dominance of foreign and local finance capital is incapable of solving a single socio-economic problem in the interests of the majority of the people.

Fascist regimes are noted for their hatred of all forces fighting for social progress and peace, of the international working class and communist movement, the national liberation movement, the world socialist system, the Soviet Union and Cuba above all; they are hostile towards Latin American countries with constitutional forms of government; they tend to gang up with similar regimes under the con-

tary intervention in the internal affairs of any Latin American state in order to crush or prevent the revolutionary process.

tinental banner of the "Black International".

Aggressive "primordial" or "terrorist" anti-communism is a hallmark of fascist ideology and practice. Not a single Marxist-Leninist party in Latin America has escaped the most savage repression, ranging from an official ban to the mass execution of Communists. Lenin said that "nowhere in the world have bourgeois influences on the workers ever taken the form of ideological influences alone. When the bourgeoisie's ideological influence on the workers declines, is undermined or weakened, the bourgeoisie *everywhere and always* resorts to the most outrageous lies and slander."<sup>3</sup> It is precisely lies and slander that are the core of "primordial" anti-communism.

Under fascist regimes, "primordial" anti-communism is both an official ideological doctrine and a state policy. But "primordial" and "terrorist" anti-communism is also cultivated in "pluralistic" Latin American societies. It is preached by ultra-right political parties and pro-fascist organizations, the reactionary mass media and right-wing clergy.

<sup>3</sup> V. I. Lenin, *Collected Works*, vol. 20, p. 485.

Fascist ideologists maintain that a rightist authoritarian regime is the only way of "preventing communism"—and "there is no third way". The architects of US policy towards Latin America, who are drawn from the more aggressive circles, have come up with the concept of the "least evil" whereby the installation of a fascist regime in a country prevents communism from "inevitably filling the vacuum of state power".

Fascist ideologists have taken great pains to prove that bourgeois democracy is incompatible with the specific features of Latin America's historical development. They claim that democracy was exported there from Western Europe and that it clashes with the moral values and traditions of the peoples of the region. Technocratic concepts also reject democracy; they allege that only an authoritarian regime and a policy of economic austerity, or, to be more exact, of the ruthless exploitation of the working people,

are capable of overcoming underdevelopment and of creating an efficient economic mechanism. Both these concepts provide the pretext for dismantling basic bourgeois-democratic freedoms and for thrusting fascism upon the state and social system.

\* \* \*

Owing to the development of the liberation process in Latin America it has become increasingly possible to establish democratic governments that would oppose imperialism and pursue progressive policies, both in the social sphere and in international affairs. The communist parties in the region stand for unity of action with all patriotic, anti-imperialist, anti-fascist and non-fascist forces. They view the rout of fascism, the liquidation of military-police dictatorships, and the struggle against their mainstay—US imperialism—as their main tasks.

*Znamya*, No. 6, 1983 \*

## THE HISTORICAL ROLE OF THE WORKING CLASS IN THE CONTEMPORARY IDEOLOGICAL STRUGGLE

Most of the anti-proletarian, anti-Marxist concepts generally arose from production-technical, political-economic or socio-political ideas, leaving aside the philosophical approach to the appraisal of the proletariat, which underlies Marx's idea about its historical mission.

A number of other concepts have recently arisen alongside the above which are related to Marx's historiosophical and cultural-historical substantiation of the historical role of the working class. One such concept is expounded in the book "Adieux de prolétariat" by French Socialist A. Gorz.<sup>1</sup>

What is Gorz's contribution to the numerous theories of the proletariat's disappearance which appeared in the West after the Second World War? While the old anti-proletarian concepts focused attention on the drop in the number of workers due to the scientific and technological revolution, leaving aside the worker's attitude towards labour, A. Gorz turns precisely to this issue, often treated as the "labour crisis". The "crisis" boils down to this. The present stage of the technological revolution has revealed not only the tendency towards the gradual disappearance of the industrial working class and its replacement by a "new working class", but also the tendency towards the gradual disappearance of labour itself, the ousting of man from the direct process of production, replacing him even in auxiliary jobs by servo-mechanisms. The latter tendency does not mean that living labour is no longer needed in modern production. This need exists and it is still considerable. More than that, along with the tendency for labour to disappear, we can also observe the opposite trend—the increasing importance of living labour and even the partial shifting of the centre of gravity to living labour in proportion to changes in its quality, and also the inevitable, ever increasing need for unskilled labour. In one way or another, the pre-

<sup>1</sup> A. Gorz. *Adieux de prolétariat*. Au-delà du socialisme, Paris, 1980.

sent level of the productive forces and the state of mass consciousness in connection with the development of culture have brought about a situation which can be defined, at least conditionally, as a "crisis of labour". Gorz bases his reasoning precisely on this phenomenon. He "discovers" some changes in the nature of labour caused by automation, which Marx foresaw very clearly, even at a time when labour had not yet been completely mechanized. Gorz views them as developments which were not foreseen by Marx's theory and which, therefore, call for a modified theoretical attitude towards the proletariat. Thus, Gorz qualifies as something "new" the facts that the possibility for the worker "to live by labour as a creative or potentially creative activity"<sup>2</sup> has been removed from the process of labour, that automation has led to the disappearance of craftsmen taking pride in the "products of their labour"<sup>3</sup>, that in the pre-monopoly period labour was highly valued by the worker, whereas today it has lost all attraction for him and the proletariat has turned into an "ignorant and downtrodden mass without any roots in life."<sup>4</sup>

In actual fact the process of the worker's alienation began way back in the 16th century with the introduction of the in-plant division of labour and intensified with the introduction of simple, non-automated machinery, when the worker became an "appendage to the machine". Marx studied this process in all its aspects.

As for automation and its possible social consequences, Marx's previsions on this score are recognized, even by his opponents. Automation, Marx said, would make it possible to put an end to soulless, meaningless and abstract labour which creates use values only for capital (and that, only as a means of creating capitalist wealth, alien to the worker), labour which has only exchange value for the worker himself and, consequently, has nothing in common with labour as a creative process, as a manifestation of personal initiative.

On the one hand, automation permits some labour operations performed by the worker to be made more interesting. On the other hand, at the present, still incompleting stage, it leads to the even greater unification and monotony of many other labour functions the performance of which degrades the dignity of man as a rational being. It is this "other aspect" of automation that Gorz talks of mostly. But automation has an even greater consequence, which is just beginning to make itself felt: with the passage of time, the working man will be able to realize himself as a free individual in creative activity outside material production, outside the limits of the "realm of need".

"Production for the sake of production" or "production for ever increasing consumption" or "consumption for the sake of consump-

<sup>2</sup> *Op. cit.*, p. 58.

<sup>3</sup> *Ibid.*, p. 60.

<sup>4</sup> *Ibid.*

tion" is no longer the aim of human activity. The aim of this activity is man himself, his all-round development, the free self-realization of all his creative talents, which is possible, as Marx demonstrated, only outside the framework of material production proper, though on its most highly developed basis. Thus, what we have is a "labour crisis", i.e. the abolition of labour in its traditional bourgeois sense. This leads to the proletariat regaining his human essence, he loses his alienation and ceases to be a proletarian, arriving at self-abrogation, which Marx and Engels assumed from the very outset to be the aim of the working class movement.

A proper study of the connection between the proletariat's class struggle and the development of productive forces (especially after the conversion of science into a direct productive force) began only in recent years. The most general solution to the problem is this: **first**, only the struggle between labour and capital, which, as Marx and Engels pointed out more than once, should not be reduced to open clashes, or even strikes, a) compels capital to use ever new technology as a weapon to counter the organized class onslaught of workers, leading to the increasingly greater domination of materialized labour over living labour and labour intensification whenever exploitation by increasing working time becomes impossible due to political and legal considerations, and b) leads to such a concentration and centralization of capital which makes it possible, technically and economically, to apply science in production on a wider scale.

**Second**, only the class struggle of workers on a national and international scale (the most important factor here being the existence of socialist countries) has made it possible to obtain such social and political concessions from the capitalists, from the bourgeois state, which enable the workers today, while remaining unemployed for considerable lengths of time, not to lose their social activism, their capacity for organized action even outside trade unions.

Gorz is further seriously mistaken in believing that "Marx's proletariat", unlike the "non-proletariat", is fully defined by its labour or its position in the social production process. According to Marx, the proletariat is defined not only by its labour, but also by its relationship to property and by the sum total of social relationships of cultural and historical traditions which sharply contradict the economic, technical and social system of capitalist labour.

This form of labour is repugnant to the worker; but so long as he is unable to free himself from it, he strives to improve his working conditions and fights for higher wages, for the right to work, for this alienated labour which gives him no creative satisfaction, because for the worker it is the main, if not his only, means of livelihood. At the same time, labour has still not lost its moral attraction; it gives the working man the much-needed feeling of participating in

shaping the general conditions of social life. Further, labour is also a precondition for participating in various forms of free, independent social intercourse which, while not being of a labour nature in themselves, arise in connection with labour and primarily on the basis of discussion of working conditions. Nevertheless, labour as such in this capitalistically alienated form, abstract labour, cannot attract the worker if he has one iota of self-respect, if he wishes to be fully responsible for planning and implementing the labour process. This is why, in the long run, as Marx repeatedly emphasized, this type of labour is repugnant to the worker and he strives to be free from it, at first unconsciously and then consciously.

The "labour crisis", the relationship of labour as a value to creative activity has recently become one of the burning issues of the labour movement in developed capitalist countries in the West. For the first time in history the issue of "labour and freedom", fundamental to Marx's theory of the historical role of the proletariat, has turned from a theoretical issue into a practical one, into that of the political strategy and tactics of the working class movement, of communist and socialist parties, of trade unions.

Karl KANTOR  
*Rabochy klass i sovremenny mir,*  
No. 2, 1983

## GROPING FOR THE FUTURE

by Georgy SHAKHNAZAROV

*The past few decades have witnessed, among other things, an all-out craze by Western futurologists to present their visions of the future. A great many works appeared in quick succession on the problem. They contain some valuable observations and well-reasoned arguments based upon an analysis of trends in the economic and social development of particular countries and regions. More specifically, papers of the Club of Rome indeed rank with such works. Other investigations in the nature of forecasts are also of interest, at least because they throw light on urgent questions, if not profoundly inquire into the future of the world.*

*On the whole, however, every fresh flash of futurological quests more and more graphically reveals the basic flaws of bourgeois social science. Ignoring, in effect, the objective laws of social development, leaving out of account such foremost factors as the form of ownership and class struggle, and unduly exaggerating the significance of machinery and technology, the futurologists, each according to his lights, "construct" the future in accord with the aspirations and ideals of the monopoly bourgeoisie. In this regard, the book "Seven Tomorrows. Toward a Voluntary History"<sup>1</sup>, by three US authors, published in 1982, is no exception.*

Here, we are dealing with "seven very similar scenarios for the eighties and nineties" which are neither predictions, nor normative forecasts but are, rather, a series of alternatives. Is this approach legitimate? Why not? After all, any one is free to look ahead into the future in one's own way. It's the essence that really matters here.

In order to clarify the methodology chosen by the authors one should explain what they mean by "scenario" since there is much confusion among

<sup>1</sup> P. Hawken, J. Ogilvy, P. Schwartz. *Seven Tomorrows. Toward a Voluntary History*, Toronto-New York-London-Sydney, 1982.

G. SHAKHNAZAROV. D.Sc. (Law), is a specialist in problems of contemporary social development and author of the works: "Socialist Democracy" (M., 1972), "Mankind's Socialist Future" (M., 1978), "Fiasco of Futurology" (M., 1979), and others.

futurologists on this score: some scholars identify a scenario with a model, others equate it with a free forecast, etc. In the authors' words, they borrowed the concept scenario from... cinematography where the scenario is a written outline of scenes which together constitute a plot. It is something more inclusive than a sketch of the plot and less inclusive than the film itself. One should regard a scenario of the future similarly: it is somewhat more inclusive than a mere enumeration of possibilities but less inclusive than the future itself.

Social factors are the next thing to which the reader's attention is drawn—they are likely to become mighty motive forces of change in the coming historical period. The authors list among them a revival of interest in religion and invigoration of the feminist movement. Hence it follows that the Stanford futurologists do not expect any significant activity either from the working class or from the youth, intelligentsia, middle strata, or national minorities (first of all the Black Americans as they deal with the United States). Evidently, ideological doctrines should not claim the role of a source of change either. All this raises the puzzling question: can one peer into the future with such an inadequate set of social factors, discounting the potential impact of almost all the principal social forces and political movements of contemporary society upon the shaping of the future?

Further, the authors examine the processes unfolding on the international scene which, in their view, will directly tell on the future of their country. They reduce the matter to the following: the world is in turmoil, it is moving from the bipolar state (the USSR and the USA) to a multipolar state, where the emergent countries of the third world challenge the legitimacy of Western modernization and domination increasing the probability and "painfulness" of conflicts. Nevertheless, it is assumed that a nuclear war would most probably be avoided. This assumption is taken to be axiomatic because, as stressed in the book, nuclear war would mean an end to any future.

One cannot but agree with the last conclusion, as to the rest, the authors' approach appears superficial, to say the least. They leave outside their field of vision the deep-going changes in the correlation of forces in the international arena favouring socialism, the powerful development of the national liberation movement, the growth of contradictions between the imperialist powers, and other factors exerting serious impacts upon the shaping of the future in individual countries and worldwide.

Among other factors taken into account in projecting the alternatives for the future the authors emphasize the continuous growth of the country's national debt, rampant crime, environmental degradation and also dangers stemming from the uncontrollable employment of new technology and militarization of outer space. They attempt to formalize corresponding data and tabulate them to compare two periods: the postwar period (1945-1973) and the recent period (1973-1980). Judging from the table, almost all indicators show that the situation has deteriorated significantly. Hence, they conclude, the "future" of the postwar period was predictable whereas now it is unpredictable.

This conclusion appears to be rather odd. Whether a historical perspective is predictable or not is determined not by a prevalence of positive or negative trends at a particular stage of social development but by the accuracy of forecasting. Suffice it to turn to the relevant literature of the 1950s and 1960s and leaf through periodicals of the time to satisfy oneself that there was not, at the time, a dearth of lamentations over the impossibility of more or less accurately predicting the course of future events.

Further, the Stanford futurologists give the reader a list of so-called guideline tendencies meaning the possibility of changes in such spheres as energy, climate, food supply, economic development and the set of values. In effect, they reduce all this to an elementary set of alternatives. Thus, an increase in energy consumption will either be high or nil; the climate will be either favourable or changeable; there will be either a sufficiency or a dearth of food; a normal growth is possible in the economy, but, again, there may be a recession and even a crisis; the set of dominant social values will be determined with emphasis on the acquisition of material things, status-seeking, fame and wealth, or on survival, or else, on frugality which is interpreted to mean self-restriction in consumption and orientation towards the principles of evolutionary ethics, or morality, of a man living in the lap of nature.

Obviously, the method of investigation consists in assuming that mankind will either have it good or have it bad, or neither way. One may well query whether scenarios based on such an unstable basis are of any use at all.

In other words, even assuming a multivariant nature of the future one should not ignore indications of a greater likelihood of a particular variant becoming a reality. The possible ways of development are far from being "equal", so to speak. There are more or less probable variants and the purpose of science is to thoroughly study the dominant trends and project the most probable course of events—and not engage in guesswork.

Let us examine the table to which the authors attach crucial importance for understanding their method of predicting the future.

Guideline Tendencies	Scenarios
High growth of energy consumption Favourable climate An abundance of cheap food Normal economy	1. Official future
Controlled growth of energy consumption Changeable climate An abundance of high-priced food Normal economy	2. Mature composure 3. The centre is maintained
Failed high growth of energy consumption Changeable climate Shortage of high-priced food Unsteady economy	4. Apocalyptic transformation 5. Chronic breakdown
Decline in energy consumption Deterioration of climate Shortage of high-priced food Economic collapse	6. Living within means 7. Onset of suffering

As seen from the table, no alternatives have been projected. Given worsening conditions, a conclusion is drawn on the possibility of two variants—either society will adjust (and then the "Apocalyptic transformation"

scenario goes into effect eventuating in a happy end after all sorts of adversities) or it would fail to adjust (and then the alarmistic "Chronic breakdown" scenario is more appropriate). A similar alternative awaits the country given still less favourable conditions: an optimistic scenario ("Living within means") and a pessimistic scenario ("Onset of suffering").

Now, it would be well to know the principle basic to all the proposed scenarios. A sum total of individual indicators for 1980 is taken and assumed changes towards 2000. The number of indicators is rather limited, including the world population and the US population, the world's gross national product (GNP) and the US GNP; per capita incomes and expenditures on consumption in the country; the mean oil price on the world market; energy consumption. Further, they deal with the energy sources (domestic and imported oil, oilshales, natural gas, coal, conventional atomic power stations, atomic power stations using breeder reactors, solar power, hydropower, etc.). Incomes expended on housing, food, clothing, medical equipment and transport are singled out. The following indicators, designed to give an idea of the changes in production, are grouped into two small sections: first, the "growth" economic sectors and spheres and the deteriorating ones; second, the trades and occupations much in demand and those not needed at all.

As for the world at large, it is divided into the states with the highest and lowest GNP growth rates for 1995-2000 and those with stagnant economies.

The last-mentioned indicator merits consideration best of all clarifying the methods used in assessing the prospects for the USA and other states. Therefore, we shall single out the assumptions on this score contained in all the scenarios and make a comparative analysis of them (so as not to repeat the names of the scenarios we shall designate them by figures—from 1 to 7).

The following countries and territories will, in the investigators' opinion, have the highest GNP growth rates in 1995-2000: 1. Brazil, Malaysia, Nigeria, South Africa, Mexico, South Korea, Indonesia, the Philippines, Taiwan, China. 2. Japan, South Korea, Taiwan, China, Malaysia, Singapore, Indonesia. 3. Japan, the FRG, the USA, France, Mexico, South Korea, Brazil, South Africa, Australia, Israel. 4. (The definition of the countries is different here, namely: "the states that manage to survive", in place of "the countries with the highest GNP") Norway, Brazil, South Africa, the USA, the USSR, Canada, France. 5. (Again, the countries with the highest growth rates) Japan, the FRG, France, Taiwan, China, Canada, Switzerland, Italy. 6. (Again, the countries that manage to survive) Japan, China, the USA, Canada, Norway, the FRG, Brazil, Saudi Arabia, South Africa, France. 7. (This time they are labelled "economically developing countries") Australia, Canada, Norway, China, Brazil, South Africa.

Upon making simple calculations we arrive at the following results: China, South Africa and Brazil are the luckiest of all—they were five times included in the "happy list". Japan and France also have a fairly good rating, included four times in the "happy list". The authors discovered an "average" ability to survive and develop in the cases of Taiwan, South Korea, the FRG, the USA and Canada. The affairs of Mexico, Indonesia and Norway are in poorer shape—they were mentioned only twice. Finally, Nigeria, the Philippines, Singapore, Switzerland, Italy, Saudi Arabia and... the Soviet Union had the privilege of ranking with those who will prosper or, at least, survive only once.

Amazing is not only the levity with which chances are apportioned among various countries, but also the total lack of any calculations to back

up the authors' predictions or, rather, prophecies. All this looks so unconvincing that one feels sorry for the scholars: can it be that they are in dead earnest? Even assuming the possibility of the global problems listed in the table sharpening in the future (whence it does not at all follow that any fatalistic calamity will befall mankind), totally absurd is the conclusion that the Soviet Union with its immense economic capability and vast resources, will show a lesser degree of "survivability" than the countries that received higher "ratings". This kind of absurdity can only be explained by the extremely slanted nature of the studies. Indeed, the USSR is lucky because the prophets do give it a chance of survival. As for many other states, including socialist ones, their future is completely shrouded in mystery.

Speaking of the socialist states, the explanation is not far to seek. It carries a purely ideological punch. For the bourgeois theorists are biased against socialism and its achievements. Hence, their reluctance to recognize the obvious fact that the countries of the socialist community are the fastest-developing group of states in the world. Such an attitude, of course, calls into question the authors' scholarly integrity.

The arbitrary apportioning of the advanced capitalist countries' chances is something beyond understanding. Why, for instance, does France figure in four lists, the FRG—in three and Switzerland—in just one? Neither an extrapolation of data for the last decades nor forecasts by economists furnish any grounds to warrant such conclusions.

Let us sum up the results. We have already called attention to the contradictory, abstract, and unsubstantiated nature of the scenarios and to other essential drawbacks. But the main defect of the methodology adopted by the US futurologists is their total disregard of the fundamental economic and social factors determining the character and trends of development of social systems. In the span of two hundred pages there is not a single mention of such important sociological categories as property, classes and class struggle. In short, the authors' reasoning is at a pre-Marxian level and, in this sense, it is much inferior to the trend in Western social science which, far from identifying itself with Marxism and even battling with it, nevertheless utilizes Marxist methodology, one way or another, in analyzing social phenomena.

Again pondering upon the variants of the future offered by the authors one can easily see that they all boil down to two alternatives: utopian and anti-utopian. Both have nothing in common with science, notwithstanding some sound arguments they contain, and, therefore, they should be treated as a reflection of a certain mental approach.

Given this assessment the book by the US futurologists is of interest. It is symptomatic because it actually repudiates the dogmas of the predominant ideology and official propaganda with its accentuation of wealth, strength, the US exclusive role in world affairs, etc.

Calling upon the Americans to make a choice between the interests of the mandarines and those of the people, the authors put forward their own transformative alternative which includes such values as freedom, social order, diversity, strength, predictability and peace. They compare the attitudes of the right and left wings in American political life to urgent problems of the country's development and then reduce them to a common denominator; the sought-after alternative comes about as a result of a compromise. This is the same "American dream", only given a different interpretation. The future here is associated not with wastefulness but with moderation, not with strength but with order. In other words, the dream

becomes more modest (let us recall that the scenario regarded as the optimal one has the title "Living within means").

It is plain to see that the proposed "transformative alternative" reflects sentiments of the part of the bourgeois scientific community which sees the possibility of evading "global catastrophes" by transforming the lifestyle of the capitalist society and by establishing a new set of values. For all the outward appeal of such ideas, they are devoid of any practical sense, infeasible and utopian. Basic changes in the prevalent system of values and in attitudes are impossible without fundamentally altering social relations but this is ruled out by the authors a priori. Therefore, another pretentious attempt to offer bourgeois society (in our case, American society) an alternative proves as futile as all such attempts made earlier. It shows once again that while adhering to the positions of bourgeois ideology it is impossible to give a truly attractive and realistic picture of tomorrow for mankind. No matter how many alternatives, seven or seventy seven, the bourgeois futurologists come up with they cannot perpetuate the system of capitalism which has outlived itself. No speculative constructions are capable of arresting the objective process of social development and the law-governed transition from capitalism to socialism on a world scale.

*Mirovaya ekonomika i mezhdunarodniye otnosheniya*, No. 9, 1983 \*

## COMMON SENSE VERSUS ANTI-COMMUNIST DOGMAS

It has long been noticed that the more arbitrary a dogma the harder it becomes. In this sense anti-communism, which Thomas Mann aptly described as the "main stupidity of the 20th century", is one of the most tough and intolerant dogmas of all. The point is that it calls not only for implicit obedience and an undeviating observance of sanctified "cold war" rituals but also renunciation of every attempt at independent thinking. Likewise it calls for blindly believing that communism is "a source of evil", that "it's better to be dead than red", and also that "there are things more important than peace."

Obviously, the dogma of anti-communism cannot thrive of its own accord. It requires meticulous care on the part of statesmen, scholars, ideologists and the media. It should be admitted that at the threshold of the 1980s the American preachers of anti-communism had a

run of luck in imposing this dogma on their people. America's political scene was deluged with filthy lies and slanders directed at the USSR. Quite a few supporters of detente defected then to the camp of anti-communism. They did so for fear of public opinion and persecution, and also in obedience to the newly kindled instincts of nationalism and American chauvinism. But the main reason was that they found themselves in the maze of confusing ideas and concepts, craftily erected by the theorists of anti-communism. Such concepts as "security", "equilibrium" and "justice" were manipulated with less shame than ever before, lumping together war and peace, rights and their lack, freedom and renunciation of every semblance of it.

For all that the dogma of anti-communism is most vulnerable. It is just enough to merely question one of its princi-

pal postulates, or logically analyse one of its axioms when this pseudomonumental structure will tumble down like a house of cards. The process—most agonizing and contradictory at times—of overcoming a dogma is the subject of a recent publication, "American Threat and Protest of Millions"<sup>1</sup>, issued by the Progress Publishing House.

This is quite a capacious publication. Its fifty authors include American public and military figures, journalists and scholars, writers and Congressmen, diplomats and businessmen. It contains documents of the US Communist Party and statements by people who shaped America's foreign policy in the 1960s and 1970s. There are also interviews of convinced liberals and articles by equally convinced conservatives. But all of them are united in comprehending the threat emanating from the unbridled arms race, the aggravation of international tension and the Reagan administration's bid to pursue its foreign policy from positions of strength.

In reviewing the foreign-policy principles, doctrines and concepts of the Reagan administration the authors point to their defects. Even the starting thesis of the administration, that Russians' intrigues are the cause

of all international problems and complications, proves groundless enough. Paul C. Warnke, Director of the Arms Control and Disarmament Agency in the Carter administration, said that it is hard to believe the assertion that if not for the Soviet Union people ruled by unjust and repressive regimes, where a tiny minority luxuriates at the expense of an impoverished majority, would put up with the existing situation. Tempestuous events take place precisely because of the need to change many things. But a policy based on the assumption that everything would be tranquil if only the Russians behaved themselves is the policy of an administration incapable of handling intricate problems of contemporary international life.

He is echoed by Robert Byrd, Senate Democratic minority leader who believes that a policy built exclusively on confrontation with the Soviet Union is doomed to failure and can harm US national interests.

Totally unrealistic too, as Americans think, are the attempts of the White House to start another round of the arms race in order to reduce the Soviet Union to economic exhaustion and then to secure strategic superiority over it in the military field. Those who are

adequately informed about the USSR declare unanimously it will never allow the general strategic equilibrium to be upset in favour of the United States. R. Barnet, a noted American scientist, says that judging by events, Reagan believes it is possible to undermine the economy of the Soviet Union by involving it in another round of the arms race. This is a totally erroneous view, he adds. In spite of the fact that its economy is somewhat less in scale than the US economy and its society is busy tackling difficult problems, the Soviet Union wants to and can keep up with America militarily.

The American public is profoundly apprehensive over the Pentagon's new strategic programmes, specifically its plans to deploy the MX inter-continental ballistic missiles, a new generation of strategic submarines and B-I bombers. After all, the creation of such systems is not merely a buildup of the US nuclear arsenal but a highly dangerous development of Washington's strategic doctrines. The United States is now firmly and openly oriented towards a first-strike strategic nuclear policy, points out H. Scoville, President of the Arms Control Association. But pursuing such a policy is in effect heading for a nuclear catastrophe without parallel in human history, he concludes.

Critical assessment is also made of the general principles

underlying the present administration's policy in respect to the Soviet Union. Such assessment clearly reveals that behind demagogic rhetorics is the stubborn unwillingness of the White House to recognize the USSR as a power with a status equal to that of the United States as well as the attempts to impose its principles and conditions for normalizing relations between the two countries and to pursue a policy of diktat and blackmail. As Professor Bernard C. Cohen of Princeton University writes, fuddled by being the only super-power for a long time, many of US leaders and a section of the American public persistently view the Soviet Union as principally a godless, terrorist and evil force having neither a full-fledged political status in the world nor a right to it. The US even declines to openly discuss the principle of equality. It remains a forbidding, offensive topic. But it is precisely our unwillingness to accept the principle of political equality that often results in a situation where diplomacy is sacrificed for militaristic policies, a belief in the need for military parity is eaten up by the chimera of superiority, while the isolated successes of detente gave way to the "cold war" tides.

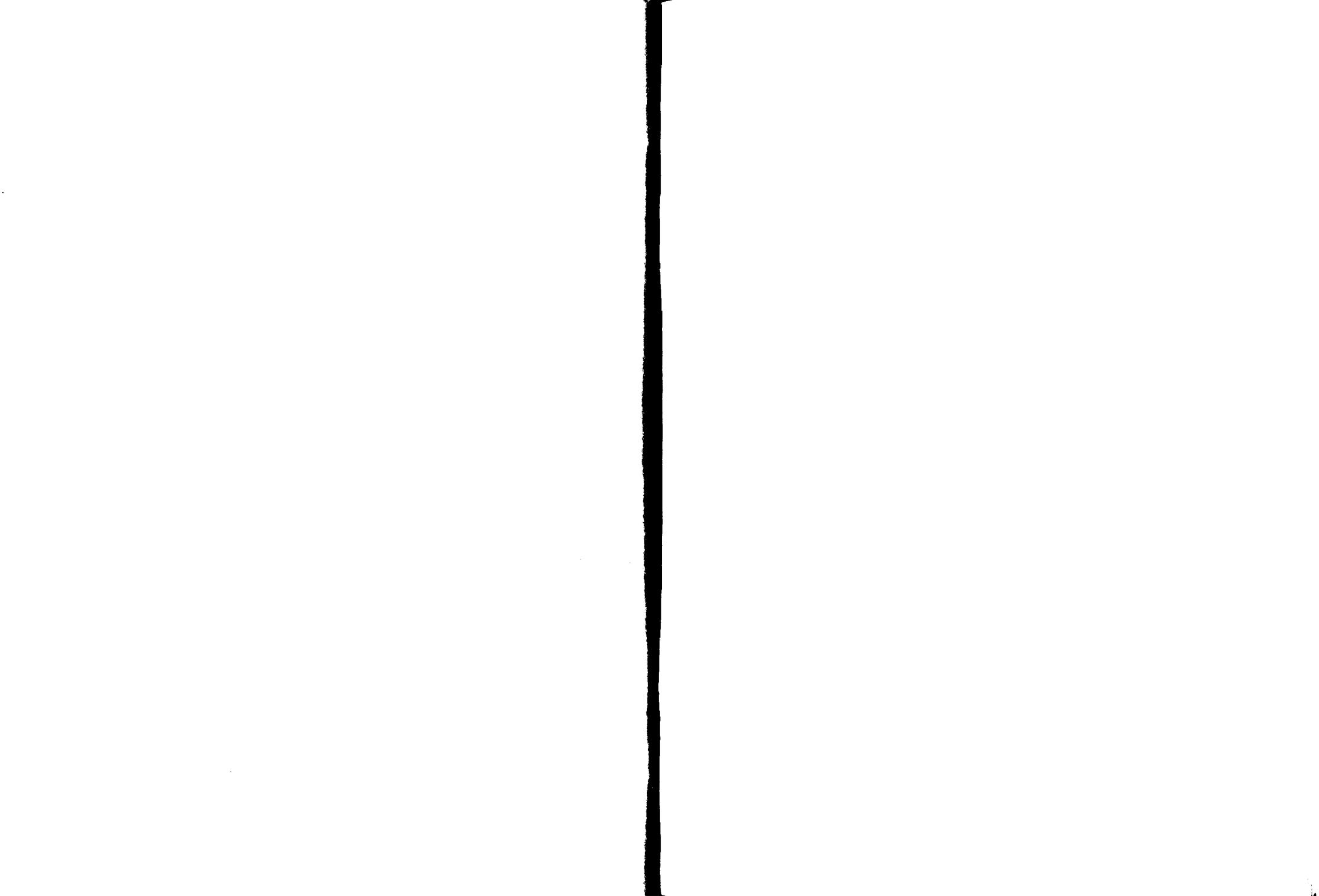
The mixed social character and the political heterogeneity of the present opposition to the White House are bound to affect its activity. By far not all the Americans, whose views are

<sup>1</sup> American Threat and Protest of Millions. (Statements, Articles, Facts, Documents), Moscow, Progress Publishers, 1983.

given in the book, see the social roots of US militarism and the organic link between the external and domestic policies of the Reagan administration. Equally symptomatic in this respect is the Americans' inadequate knowledge of the Soviet peace initiatives which are deliberately hushed up by the bourgeois

media. But what is much more important is the growing realization by the American public of the crucial importance of the problem of averting war and preserving peace, and of the fact that it cannot be reduced to political, economic and ideological interests of individual groups and parties.

Andrei TUNOV  
(APN)



**The Soviet monthly digest SOCIALISM: THEORY AND PRACTICE and supplements to this journal are digests of the political and theoretical press featuring the vital problems of Marxist-Leninist theory, the practice of socialist and communist construction, the peoples' struggle for peace, democracy and socialism, and worldwide ideological struggle.**

**All inquiries should be addressed to  
SOCIALISM: THEORY AND PRACTICE  
7 Bolshaya Pochtovaya Street, 107082,  
Moscow, USSR or to the Information  
Department of the Soviet Embassy.**

