BUREAUCRATS, SUBORDINATES, AND THE FAILURE OF SOVIET MARXISM

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I. Introduction

Karl Marx's materialist teachings used to be considered by many in the Soviet Union as the guiding principles in social and political life. However, the complete fiasco of "The Great Experiment," supposedly undertaken under the aegis of this doctrine, has shown the implausible and outdated nature of a Marxism's basic tenets. Indeed, the endless dogmatism and nagging didacticism of the few remaining Communist ideologues have caused many in the Soviet Union to turn away from Marxism.

But is Marxism really irrelevant to modernity? I believe that the potential of the materialist approach in history and sociology is far from exhausted. Particularly, it refers to class-based analysis of social relations, including the conclusions of one of Marx's most profound postulates not yet applied to modernity that the State constitutes the private property of the bureaucracy. A class-based theory of bureaucracy elucidates the main characteristics of Soviet society. As I will try to show, the theory, once logically developed and applied to the reality of the Soviet Union, explains many mysterious and seemingly paradoxical events that take place in the Soviet Union. I do not offer this theory in typical scholarly fashion, but as an exploratory essay that seeks to see what went wrong with the "Great Experiment."

II. A Class-based Analysis of Soviet Society

Soviet society is an antagonistic society of a new kind, and consists of two main classes: the class of bureaucracy that owns the mechanism of the State and uses it manage the means of production; and the class of subordinates who possess practically no means of production, including their own labor.

The growth of bureaucracy in the Soviet Union from a mere social subclass into an exploiting social class is no accident. Rather, it is an inevitable result of an attempt to build Socialism, made by the leaders of the Communist Party in a country that had barely embarked on capitalist development. It had to be -- and in fact it was -- the result of two powerful factors, one internal and one external.

Since the October coup d'etat of 1917 was accomplished in one separate country, this brought into play the concept of "capitalist encirclement." This led to the accelerated establishment of a totalitarian State, with a large Army, powerful intelligence and counterintelligence services, and a militarized economy. The latter was primarily geared towards centralization of productive forces, industrialization and collectivization. All of this was necessary to create a state of mobilization, with one of its purposes being to "export revolution." The growth of the military-industrial complex also prompted the accelerated formation of this military-industrial bureaucracy on the basis of the ruling Party.

Since the October coup was accomplished in the country with young, nascent capitalism, where most of the population was made up of peasants and craftsmen, the "dictatorship of the proletariat" immediately took the shape of suppression of the majority by the minority. The dialectics of this dictatorship are simple: the proletariat, as the leading class, had the best understanding of society's problems, while the vanguard, represented by the ruling party, had the best understanding of the tasks of the leading class as wells as the methods of solving them, while the "elite guard," represented by the State apparat, had the best understanding of the tasks of the vanguard. Quod erat demonstandum. Whoever did not agree with any of these transitions was immediately considered the "enemy of the people," and if he

did not surrender, he was destroyed.

Original accumulation of State property took the form of expropriation of all means of production, including the land, peasants' property, and establishment of a monopoly of bread. It was also achieved through expropriating the labor of millions of prisoners. It should be noted that this dictatorship of the proletariat and its consequences -- effective destruction of the peasantry -- are a vivid demonstration of the implausibility of the official version of the Soviet people "choosing Socialism" after the October coup. As a result, the entire wealth of the nation -- factories, land, water, forests, natural deposits, housing -- became either the property of the State or cooperative kolkhoz property, under the complete control of Party and state officials.

The popular trend of becoming part of the bureaucracy (primarily through Party membership), and the bureaucracy's trend of surrounding itself with numerous service staff, led to a rapid growth of the bureaucratic ranks. Thus emerged a new exploiting class, unparalleled in history -- the class of bureaucracy, which appropriated the entire national wealth and almost the entire national product. To see how Soviet bureaucracy became a social class (rather than an administrative structure, as in most other countries), let us compare the Soviet bureaucracy with Marx's definition of class. Marx said that class is a large group of people, brought together by mutual relation to property. In the Soviet Union, the bureaucracy numbers about 17 million people who handle State property in an overt or covert fashion.

As this bureaucratic class took shape, differences between the other classes -- workers, peasants, and intellectuals -- began to erode. Workers in mining, steel, and textiles became merely another part of state-run enterprises. Expropriated peasant property passed to the State in the form

of forcibly organized collective farms, which became the feudal domain of Party and State officials. (As a rule, the Germans during World War II did not touch the kolhozes, correctly considering them the most convenient form of robbing the rural population). Intellectuals and scientists were completely turned over to the military-industrial complex, which pulled millions of others into the hands of the State. All of these groups occupy a similar position in society in relation to property -- they have none. Indeed, they cannot be considered even proletarians, since they cannot dispose of their labor! Thus occurred a decisive polarization of society into two essentially antagonistic classes: the ruling exploiting class of bureaucracy and the exploited class of subordinates.

If the bureaucrat as private proprietor is compared to the capitalist as private proprietor, the latter has significant advantages. In the first place, the capitalist takes care of his or her property, since he or she has the title to it, including the right to pass it to his or her heirs. bureaucrat, on the other hand, can administer property only while he or she is in power; that is, until he is pushed away from the trough by another bureaucrat. The typical bureaucrat therefore tries to grab as much power as he or she can as fast as he or she can. The only guiding principle is "Apres nous le deluge." Secondly, a typical bureaucrat does not seek compromise with his subordinates, but, rather, uses force, fear of repression, and the complete submission of the unions. These specific features stem from the fact that State property -- the bureaucracy's private property -- is monopolistic in nature. All industry is owned by giant corporations -- ministries. Agriculture is owned by feudal bosses -- collective-farm chairmen. Municipal property is owned by exploitative bosses -- district party secretaries. monopoly of property, reflected in the monopoly of power, has resulted in the

most rapacious exploitation of a people in history.

III. The False Ideology of Bureaucracy

It is obvious that bureaucracy as a ruling class is inherently incapable of increasing society's productive force. This is the real reason behind the crisis in Soviet society. It would be suicidal, of course, for bureaucratic ideology to acknowledge this objective truth. The ideologues in the service of bureaucracy have therefore developed various myths and legends to perpetuate bureaucratic exploitation.

One of the primary myths of bureaucratic ideologues is that minor adjustments in the "administrative-command system" can somehow reform bureaucracy. The "administrative-command system" is nothing else but the combination of instruments and methods of the ruling the totalitarian state, as well as the officials who serve it. With their help, the proprietor -- the bureaucratic class -- manages his property through exploiting the subordinates. Obviously, it is hard to find a good thing to say about these instruments: the Party's economic mandarins are primarily concerned with preserving their rights and privileges; their corruption ignores the laws of economics. Everywhere are mafia-like groups, fighting for spheres of influence.

"Reforming" this system through its partial dissembling or reduction, without changing its foundation, is rather reminiscent of Luddites fighting capitalist exploitation by destroying machinery. The Luddites, by spurring humanitarian reforms, merely increased the power of the capitalist state. A similar process is now under way in the Soviet Union. It would only serve the interests of the bureaucracy if one nomenclature were replaced by another, a more efficient and more sophisticated one. Increasing the efficiency of bureaucracy would only serve to increase its exploitative arsenal.

The myth of "social consolidation"--that it is necessary to consolidate all groups as a prerequisite of overcoming the current crisis -- is also useful to the ruling bureaucratic nomenclature. After all, how could one be against social accord? What the bureaucrats are really after, of course, is having the entire population agree to their rule and preserving the status quo, where bureaucracy owns and distributes the social product. In effect, the bureaucracy is saying "let us agree that I am everything and that you are nothing; we shall join forces to save our Motherland." It is doubtful that such a union of the rider and the horse could fool anyone.

The most pernicious myth perpetuated by bureaucracy is that the workers and intellectuals have different class interests. There is nothing new in this strategy, as the principle of divide and rule has been used at all times. Both workers and intellectuals are in the same boat as far as the ownership of the means of production is concerned. Both groups are hired hands of the bureaucracy, which sets their wages, distributes their housing, and determines their standard of living. Belonging to the same subordinate class, the workers and intellectuals have the same interests. Yet bureaucrats try to saddle the intellectuals with the blame of the current crisis, ignoring the fact that most scientists and artists who would not settle for being a bureaucratic lackey were either physically removed or left for elsewhere.

The strategy of divide and rule is clearly manifest in the bureaucracy's national policy when regarding the legend of the "small people" -- the Jews. By keeping alive the legend that the "small people" want to subjugate the "great people," bureaucrats deflect attention from their exploitative practices, channeling their energy to search for scapegoats among other nations, and distracting them from the real targets of their hatred. This principle is observed by all nationalistic theories,

which, intentionally or not, serve to strengthen bureaucratic rule.

It should be remembered that it is the bureaucracy which has championed perestroika as an attempt to salvage its ruling position and privilege through making a few economic concessions. Temporary democratic relaxation is similar to letting off the steam out of the cauldron of popular discontent, but the state monopolistic structure is preserved. Sooner or later, however, spontaneous disintegration of the economic system will force real change, but when and in what form that change will take is unpredictable.

IV. Bureaucracy and the Ruling Party

Bureaucratic public structure has formed a paradoxical ruling party, representing both antagonistic classes -- the bureaucracy and the subordinates. Lenin conceived and created a "new type party" as an instrument in the struggle for power. It is organized, miliary-style, on the basis of "democratic centralism," which requires thoroughly obedient submission to adopted decisions made by party leaders. Democratic centralism, in effect, rules out the existence of potential factions or opposition. Abstractly speaking, democratic centralism as such is an acceptable form of organization of a political party, when the leadership of the party is accountable to those who elect it.

The abnormality consists not in democratic centralism per se, but, rather, in the inherent inequality of members who come from the two antagonistic classes. The leading positions are occupied, naturally, by the ruling bureaucratic class. Their decisions, expressing their own class interests, are binding for the representatives of the subordinate class. Therefore, the Party's structure reflects the hierarchical structure of the "dictatorship of the proletariat."

Not surprisingly, the party elite became the bureaucratic elite. Its members became ministers and directors, marshals and generals, prosecutors and judges, and even academicians. The secretaries of regional and district Party committees became landed gentry who divided the entire Soviet Territory into their domains. The multimillion-strong army of ran-and-file Communists were subordinate to them and bear essentially as little responsibility for the abuses as do the soldiers who follow their officers' orders in an unjust war. Perks that party membership entails grew in direct ratio to one's Party rank. The Party became a mechanism of reinforcement and retention of power for the bureaucracy.

According to one theory, the Party represents a "new class" -partocracy. It is hard to agree with this claim. As was shown earlier,
bureaucracy is a class; it disposes of state property and appropriates more
than 80% of people's labor for its own use. The Party, however, consists of
representatives of two classes: bureaucracy and subordinates, most of whom
joined the Party in order to improve their standard of living. Thus the
Party is at the same time both a voluntary and forced unity of
representatives of antagonistic classes of Soviet society, and the creator
and the keeper of bureaucratic ideology.

Although a certain freedom of expression has emerged with the advent of Perestroika, the industrial base of the press (paper and newsprint) are still the property of the Party. Some people believe that once Marxist ideological dogmas are brushed away, the country will quickly overcome the crisis and create normal living conditions for its citizens. Without question, ideology has a powerful effect on people, but it is still a mere superstructure over the economy. The economic debacle and the disruption of social links in the country are conditioned by the crisis of production relations specific to

class-based antagonistic society. So long as bureaucracy holds the reins of power, it will use all available means to retain its dominant position and privileges. Among these means, besides corruption, a special place belongs to ideological propaganda. Nevertheless, the real chain-and-ball on the economy is not the party nor its ideology as such, but the bureaucratic social structure. Overcoming party ideology is feasible only to the extent that this structure is changed and the power is passed to the laborers.

V. Bureaucracy and the Soviet Economy

Much has been written about the crisis of the Soviet economy. People have made various suggestions -- both political and economical -- on overcoming the crisis. Perhaps the Soviet economy can spin endlessly until a miraculous cure is found. Perhaps it is enough to slightly fine-tune the stagnant status quo by removing the yoke of Communist ideology. Will the economy then gather momentum, providing a humane socialist economy and wealth for all? The official ideology, after all, proclaims that the current social order is still progressive and that mistakes are simply a result of deviations from "socialist choice."

To understand the failure of the Soviet economy, one must understand how labor is treated in differing social systems. In the West, where labor is a form of private property, labor is recognized as the most important of goods. Because workers are free to sell their labor in an open market, a person can make virtually limitless profit, based on his industry, on quantity, quality, and his or her level of skill. In short, reward is based on the worker's capability. In contrast, bureaucratic society has practically no market for labor. Bureaucracy manages the means of production and distribution of production as a monopoly. It therefore sets the price of the subordinates' work. Reimbursement of labor is limited by labor

legislation and tables of organization, all compiled in the interest of bureaucratic monopoly. Often, labor in a particular area is not needed, but because it reinforces bureaucratic rule, it is valued most highly.

Striving to get maximum reimbursement for one's work suits human nature, and under the conditions of free enterprise, it creates a self-regulating market mechanism for the optimal use of labor in creating public wealth. Work-force market competition motivates the producer to search how to produce more and to produce better, which, of course, suits the consumer. Is the worker motivated to get maximum reimbursement for his work under bureaucratic industrial relations? The answer is certainly yes, since the principle of "nihil hominem" holds true in any society. However, the product of man's work in the Soviet Union is the property of the bureaucracy, which also dictates the price of labor. Free enterprise is ruled out, since it encroaches upon bureaucratic property, and the bureaucracy is allowed to confiscate the lion's share of the profit. The worker will therefore minimize his labor expenditure for the given reimbursement, since he is not interested in the labor's product.

The motivation to do as little as possible for a fixed wage is the reason why the Soviet Union is known for good shortages, parasitism, mass production of damaged products, and misleading accounting practices. To do as little as possible while getting as much as possible is the motto espoused both by subordinates and bureaucrats. Such an environment adversely effects public morals as well, since, as official Soviet dogma tells us, "labor ennobles a person." Minimizing of labor and a poor work ethic leads to moral disintegration, apathy, and drunkenness.

Thus, real change in the Soviet economy and society is theoretically possible only through the return to the basic principle of maximum profit

from one's labor -- a free market of labor. At the same time, that would cause the transformation of social structure that would deprive the bureaucratic class of its dominating role, while the subordinate class would cease being suppressed. The bureaucrats, deprived of their personal property, would merely become administrators in the new society. Is such a change possible? For an answer, we must turn to the role of power in a bureaucratic society.

VI. Bureaucracy and the Power of the Ruling Class

In keeping with the nature of the bureaucratic class, whose private property is the State, power has become a new and most valuable good for its owner. Its importance far exceeds the mere satisfaction of the urge to rule over others, for in the Soviet Union, you cannot possess anything without possessing power. With decreasing labor productivity and the emergence of shortages, having power insures having all of the benefits unavailable to the subordinate class -- dachas, jewelry, fine food, luxurious hospitals, prestigious schools. The lawless nature of this power is related to the fact that under a bureaucratic regime power can be inherited only through the old-boynetwork. It follows that the bureaucratic class is not interested in producing goods per se, but in expanding and bolstering its power. The bureaucracy needs the goods only insofar as it needs to preserve the power in the form of owning the means of production and the right to dispose of the produced goods. In a bureaucratic economy, power begets goods.

That is why it is typical for the lower echelon of the bureaucratic class to develop its own shadow economy. These lower echelons bribe high-level officials in order to have the ability to increase one's income. By bribing the powers that be, lower-echelon bureaucrats overcome the fixed limitations on income and increase their capital, thus putting to work the

principle of maximum profit. This cycle leads inevitably to mafia-like economic structures, in which the criminal element fuses with local or national authorities, who are paid off to provide legal cover, access to hard-to-get goods, and planning and price-fixing convenient to profiteers.

For the higher echelon of the bureaucracy, power and money are even more closely linked with the bureaucratic production relations. Power is used to appropriate more capital, which serves to further increase power. Industrial monopolies -- the ministries, especially those associated with the military-industrial complex) have steadily increased their demands for publicly-financed mammoth industrial projects and lobby to receive these funds. Although these projects are often economically senseless, they lead to further concentration of power in the ministries' hands. This partially explains the gigantomania typical of Soviet industry. Wy else are hundreds of thousands of expensive machines manufactured, when the existing ones are idle due to lack of nickel -- and -- dime spare parts?

The relationship between power and money is especially dangerous for two of the most important modern concerns: a) ecology, where the race to increase spending on industrial giants and predatory exploitation of natural resources have a pernicious effect on environment and population; and b) the military-industrial complex, where generals, top designers and defense ministries race to increase spending on one of the most powerful armies in the world. This is not accidental; it reflects the sterility of the bureaucratic economic system, whose objectives are not to manufacture goods and satisfy the needs of the population, but, rather, to increase bureaucratic power.

Since the distribution of product is in the hands of bureaucracy, nothing is more effective than the creation of consumer goods shortages. In these conditions, the State generates the shortages, which, in turn,

generates additional power, thus unwinding the spiral of crisis. Generating shortages for gaining power was certainly not invented by bureaucracy. But Soviet bureaucracy developed this method into an art form. By exercising their power over the distribution of goods, they cause the shortages and enrich themselves through the resale of the goods.

It would seem that a society organized in a way so unnatural should be unstable, and fall apart easily. Unfortunately, this is not the case. As power descends by slopes from the top of the bureaucratic pyramid to its base, it brings about a strict differentiation in privileges and perks, forcing people on every level to cling to the rung they have achieved and to use every opportunity to go one step higher. Besides, bureaucracy is propped up by the army, the largest and most ruthless of punitive organs, and the most insidious ideological means of brainwashing. Another factor is the considerable human degradation and the resulting increase in passivity as a result of minimal effort for fixed pay. All of these factors make people internally unfree and solidify the bureaucratic rule. Perhaps that is why the patience of the Soviet people is known to be boundless. The relationship between power and money in bureaucracy is therefore not merely a formula for pauperization, but a formula for enslavement as well.

VII. A Summing Up

The purpose of this investigation has been to elucidate the fundamental processes that have guided the development of Soviet society. This is needed in order to understand current events, to perceive and to evaluate critically the numerous myths enshrouding Soviet society, and to make decisions based upon principles, rather than particulars. In the course of investigation, I have attempted to show the following;

- 1) As a result of the forced violation of the laws of social development, a new social order emerged, an antagonistic class society that consists, on one hand, of bureaucracy, and, on the other hand, the subordinates, who own no means of production. The later class emerged on the basis of exploitation of workers, intellectuals, and the remaining peasantry.
- 2) The bureaucracy and the subordinates have always been locked in a class struggle, which is complicated by the existence of the new-type Party, organized Army-style: the bureaucratic class is represented by generals and senior officers, while the subordinate class is represented by soldiers and junior officers.
- 3) Under the capitalist conditions of private property and free enterprise, the principle of "from each according to his ability, to each according to his labor" leads to the law of maximum profit on a given level of labor expenditure. In a bureaucratic society, which lacks these conditions, this principle leads to the law of minimum participation in labor with a given level of profit. The former set of conditions results in higher living conditions, while the latter results in a crisis of production, pauperization of the subordinate class, and the moral and cultural degradation of society at large.
- 4) In a bureaucratic society, the objectives of the functioning ruling class is to increase power. As a result, power becomes the end product, and the objective of production is not to satisfy the people, but increasing and bolstering the power of the bureaucracy. This inevitably leads to a shortage of goods, which in turns increases the power of bureaucracy.
- 5) Despotic rule is a natural form of bureaucratic society. Bureaucracy and democracy are essentially incompatible. The ruling bureaucratic class will undoubtedly use every opportunity to preserve and increase

its privileges.

It would be a mistake to consider that everything said previously refers to just one country -- the Soviet Union. To the contrary, wherever bureaucracy and its party have come to power, the result has been despotic rule, economic ruin, and war. Without question, bureaucratic social order, which not only chains but destroys society's productive and moral forces, is historically doomed. But does this mean the bureaucracy will disappear and that Soviet society will return to the path of "normal" civilization? Or does it mean the death of Soviet society, and possibly the entire world? No scientist can make that prediction.

VIII. Why the Soviet Union Never Followed Marx

The Bolshevik coup, accomplished under the banners of Dictatorship of the Proletariat, was not in accordance with Marxist theory. It would therefore be unfair to saddle Marx with responsibility of the actions of his "loyal disciples and followers." At the same time, it is obvious that the course of history of mankind in the 20th century has contradicted Marxist teachings, and continues to do so. Capitalist societies have overcome their initial growing pains and are evolving full-speed towards everything that Marx promised would take place under Socialism. Bureaucracy, on the other hand, has turned into a new social class and brought the construction of socialism to a dead end. Why has such a seemingly logical theory failed so badly? This is clearly an important question, and it is not enough to note the differences between Marx's world and today's world. The issue has been investigated in another paper of mine, which will be briefly summarized here.

While creating the theory of historical materialism, Marx accepted the dialectical concept, primarily, the transformation of quantity into quality, as axiomatic. As applied to a society, it meant that as a sum of certain

conditions ripens, the evolutionary period of cumulative change comes to an end, and revolutionary transformation takes place. This law was illustrated by simple examples taken from physics. As its temperature reaches 100 degrees Celsius, for example, water leaps into a qualitatively new state--steam.

However, in this example the transition has only one phase, as there was only one possible result after the relevant factors were accumulated. However, modern science knows many examples of multi-phased systems, when transition through the critical point affords substantially different results. The critical state reveals bifurcations, as the transition to a new state has several branches, just like a river flowing into the sea may have several branches. The more complex the system, the more diverse the possibilities at any given transition.

History is undoubtedly a most complex process, and a critical turning point of its development contains a multitude of various incidental factors. Most important are personalities and the values that shape them -- social leaders with their nationalities, religious beliefs, moral convictions, and aspirations. There may be other incidental factors -- the outcome of a war or a terrorist act. The February 1917 Revolution, for example, did not have to result in the October coup. It is ironic that the only thing that could have not taken place was the transition to socialism, as there were no objective conditions for it -- that river simply did not have a branch at its delta.

None of this was taken into account by Marx, who saw historical processes as developing in a straight line, the transition from capitalism to socialism on the basis of dictatorship of the proletariat. He also "missed" the emergence of new forms of property and the corresponding classes, as well as the influence of scientific and technological progress and the possibility of evolutionary transition to a socialist society. At

the same time, historical processes may lose their straight line nature because of unpredictable events, and then re-enter that cause until reaching the next critical point.

All of this leads to the conclusion that forecasting history is impossible at the critical points, when such forecasts are especially vital. On the other hand, we must assign more significance to the moral qualities of public leaders, since this is what may determine the fates of their nations for decades ahead. For now, Russia is heading into open sea. Perhaps forces will emerge that will return this huge, long-suffering country to the relatively calm path of capitalist development that leads towards freedom and well-being. If not, them may God spare us a drink from his cup.

IX. Perestroika and the Road Ahead

There is no discrepancy between the aforesaid conclusion and the manyfold new phenomena of modern Soviet life which are known as perestroika.

Most interesting in this respect is the transition to the market relations
and to private property declared by the upper strata. First, let us ask who
is really able to become the owner of a large enterprise -- not a barber
shop or a cooperative parcel service -- but a productive unit which is
essential for the economy of the country? At least two conditions should
obviously be fulfilled for this: a vast initial capital investment and
absolute confidence of its owner that this property would not be expropriated. To meet both of these conditions an adequate level of power is
required. Only representatives of the ruling power today are in possession
of the capital of such a scale and of the power that can give its possessor
such guarantees. The power would not expropriate itself: "a raven will not
peck the eye of another raven out." Consequently, only the bureaucratic
nomenclature which wields the sufficient initial level of power and directs

it at the increase of capital has a chance at doing this.

Naturally, the question of who is vitally interested in this and why arises. Bearing in mind that the same bureaucracy directs all the significant means of production and the distribution system for the manufactured goods, our answer to this question contains the politico-economic essence of perestroika.

As was discussed above, the specific quality of bureaucratic relations is that they control the means of production and the product of labor, which is far from an alienable or even long-term sustainable property right. Privatization and private property open the way for bureaucracy to realize the true ownership of all basic means of production, and thus to fulfill the classic triad, i.e., possession-use-control, sharing it with nobody, being accountable to nobody. In order to carry this out within the structure of the bureaucratic society very little, in fact, is necessary; namely, alter the existing ideology by interpreting the process of transforming the old incomplete bureaucratic property as the correction of the "past distortions" of socialism, and the modern realization of "socialist choice," by the people.

The transfer of the ownership of the means of production to the bureaucracy is the central goal of perestroika. It can account for a number of otherwise puzzling developments, such as the procrastination in implementing the land reform, innumerable alternative projects introduced after the decisions had already been made on the original decrees, and the discreditation of top officials dealing with foreign companies.

¹The latter is a very important point, as, according to classic Marxist definition, such property is typically monopolistic and has nothing to do with socialism.

Only after the bureaucracy finally monopolizes the major components of the capital stock would it consider allowing other partners to participate in the economy and trade, and only on its own conditions. The nomenclature is craving for the prospect of obtaining hard currency so as to considerably increase its power. Quite obviously, this transition to monopolistic bureaucratism would deepen the existing antagonisms and deformities of the system, aggravate the economic and social crisis, and further lower the quality of life for the absolute majority of the people.

The aforesaid can also explain the recent escalation of the struggle between the nomenclature and the movements for democracy. Having let democracy out like a genie from a bottle, the authorities are trying hard to put it back, which is a very difficult task indeed. It was necessary at the beginning of perestroika to overcome ideological barriers on the way to gaining the property rights to the capital of the country. But the very nature of bureaucracy is antagonistic to democracy. When the transformation process of Stalin-Brezhnev "immature" bureaucracy into "mature" monopolistic bureaucracy is complete, democracy will become only a perilous burden to the leaders. This was clearly demonstrated by recent events in the Soviet Union.

Thus, perestroika has been something of a smokescreen obscuring the process of moving towards a new social system -- monopolistic bureaucratism. This system would easily accommodate a mighty monolithic state. If such a state emerges, there would likely be even more class polarization, concentration of power, and poverty. Whether such a state will emerge is very difficult to predict, however, because the crises involved in the process of transition may be able to destroy the bureaucratic society and create the conditions for quite a different state. It would be futile at

this point to predict the outcome: unstable processes by their very definition can turn in any direction under the influence of what might seem to be inconsequential factors.

Let us conclude this meditation by a quotation from Orwell's brilliant book, Animal Farm, showing that the author not only explained allegorically the genesis of a bureaucratic state but even foresaw its regeneration (perestroika):

Twelve voices were shouting in anger, and they were all alike. No questions now what had happened to the faces of the pigs. The creatures outside looked from pig to man, and from man to pig, and from pig to man again: but already it was impossible to say which was which.