

# Crisis of Socialism or Crisis of the State?

Simon Clarke

## 1. Socialism and the State.

The collapse of the state socialist regimes of Eastern Europe has been met with dumbfound silence by much of the left. This is ironic, because the harshest critics of state socialism have long been found on the left. Perhaps the main source of dismay has been that we had always held a naive hope that the overthrow of state socialism would be based on a mass popular movement calling for 'true socialism'. However, this view was not based on any serious thought about how such a true socialist movement would develop, the lack of a serious analysis of state socialism reflecting the ambivalence of much of the left towards the state socialist regimes. The fact that the overthrow of state socialism has been dominated by a call for the restoration of capitalism has shocked us all, even if in retrospect it does not surprise us.

It is silly to try to dissociate ourselves from the crisis of state socialism by arguing that there has never been anything socialist about the regimes in the Soviet block. The 'socialism' of those regimes may have been distorted and deformed, but it was not purely rhetorical. It was based on a rejection of private ownership of the means of production, on a commitment to a relatively egalitarian distribution of income, to the planned development of the forces of production, to the provision of welfare services on the basis of social need, to job security, to guaranteed employment and to the forms, if not to the substance, of working class power, all of which are necessary elements of any society which calls itself 'socialist'. However limited may have been the commitment of the nomenclatura to socialist values, there is no doubt that such values were deeply embedded in the working class, particularly in the Soviet Union. The distortion and deformation of socialism in the Soviet Union lay in the alienated form in which socialism was institutionalised as state socialism, socialist values and socialist principles expressing not the democratic self-organisation of the working class, but the imperatives of the state, forcibly imposed on the working class in every area of social life, an alienation compounded in Eastern Europe by the subordination of the national state to the strategic preoccupations of the Soviet Union. In this article I want to show that the crisis in the Soviet Union and, by implication, in the Soviet block, is best understood not as a crisis of socialism, but as a crisis of the state. This diagnosis presents the left with both a challenge and an opportunity.

In retrospect it is not difficult to define the origins of this deformation of socialism. Theoretically it is based on a bourgeois conception of the state, as the expression of the unity of society, in place of the Marxist conception of the state as an alienated form of class rule. This leads to the belief that the state has only to be freed from its subordination to the interests of the bourgeoisie to become the instrument of the collective rule of the working class. This is not simply a theoretical error. It is a conception which has a determinate social base and definite social consequences.

## 2. The Social Base of State Socialism

The social base of state socialism lies in the stratum of intellectual workers, including such groups as managers, administrators, scientists, technicians, engineers, social workers, and teachers, as well as the intelligentsia more narrowly defined. These groups identify the crisis and conflict-ridden social forms of capitalist production as a barrier to the achievement of their professional tasks and, more broadly, believe that the key to building a more just and rational society lies in their mobilisation of their technical, administrative and intellectual expertise. While distinguishing themselves socially from the working class, these strata justify their social existence in terms of the social utility of their labour, and to that extent see themselves as the representatives of the interests of the working class, as a part of society as a whole, while seeing themselves as being uniquely equipped with the expertise to organise society in accordance with those interests. The ability of this stratum to achieve its rationalist ambitions depends on its having access to positions of social and political power. The self-evident rationality and justice of

its directive role justifies the means by which it achieves and maintains such power, and explains its voluntary political subordination to any social force which can put it there. Thus the political affiliations of this stratum tend to be unstable, which can give its transfers of allegiance decisive significance.

This conception of socialism is clearly radically distinct from that based on the principles of democratic self-organisation which emerges in the course of the struggle of the working class for its own emancipation from all forms of alienated social power. However the two conceptions can co-exist, in uneasy alliance, in the form of the Working Class Party, whether it be social democratic or Bolshevik, which tends to replicate the form of the state to which it is opposed, but which it also seeks to seize and transform. For the working class the Party is a means of mobilising and generalising its opposition to capital and its state, and of building autonomous forms of collective organisation, while for the intellectual stratum it is a means of achieving power over capital and the state. In opposition the working class may be the most active element in the Party, and the intellectual stratum may even encourage militant working class struggles and the growth of working class autonomy. As the prospect of power looms, the Party is likely to see an influx of intellectuals, with an increasing centralisation of power within the Party expressing the growing influence of the intellectual stratum. As soon as the Party has secured state power, by whatever means, it has fulfilled its positive role as far as the intellectual stratum is concerned. The latter's task is now to consolidate and exploit its position of power to secure the implementation of the Party's programme in the interests of the 'working class'. Once the Party has seized power, any opposition it encounters from the working class is immediately identified as sectional or factional opposition to the interests of the class as a whole, the latter being identified with the Party as its self-conscious representative.

The necessary historical consequence of the dominance of the statist conception of socialism, which expresses the interests and aspirations of the stratum of intellectual workers, is that state socialist regimes, immediately turn against the social force which brought them to power, using all the instruments of state power necessary to divide, demobilise and repress any autonomous working class organisation, and any independent expression of working class aspirations, in the name of its role as elected representative, or self-appointed vanguard, of the working class as a whole. The distinction between the Bolshevik and social democratic variants of state socialism should not be ignored, but it is more a matter of degree than of substance. The 'degeneration' of the Russian Revolution was not a matter of Lenin's intolerance, nor of Trotsky's militarism, nor of Stalin's personality, nor of the economic backwardness of Russia, nor of the relative small size of the working class, nor of the autocratic character of the Russian state, nor of the embattled position of the revolutionary regime, although all these factors played their part in determining the extent of that degeneration. The degeneration was already inherent in the class character of the revolution which underlay the statist conception of socialism which it adopted as its project.

### 3. The Economic Crisis of State Socialism

It is not sufficient to identify the class character of state socialism to establish that the crisis of the Soviet Union is a crisis of the state, for the socialist project has been inextricably entwined with its statist form, and the popular rejection of the latter has been equally inextricably entwined with a rejection of the former. It cannot be denied that, while a powerful popular commitment to socialist values remains, there are few signs that this commitment is the basis of any significant movement for the construction of a new form of democratic socialism. The widespread rejection of statism, and widespread demands for autonomy and for democratic accountability, take the predominant form of the demand for the restoration of the market, rather than for the democratisation of systems of planning, and for the democratisation of the state, rather than for its abolition. To understand this paradox we have to look more closely at the character of the crisis of state socialism, in order to understand both the form of the crisis, and the form of the response.

It is most commonly argued that the roots of the crisis of state socialism lie in the economic crisis created by the planning system of the command economy. It is the economic failure of planning which has imposed the necessity of the restoration of the market and, as its unavoidable adjunct, of capitalist social relations of production. This diagnosis is shared by Western critics of the Soviet Union and, increasingly explicitly, by the dominant faction of the Soviet leadership itself. However, while there is no doubt that the planning system has failed in its aim of developing the forces of production more rapidly than could an unfettered capitalism, this is not a sufficient explanation for the crisis. After all, it is

universally recognised that for an indeterminate future period the restoration of capitalism can only intensify economic decline. More generally, an economic crisis is not a sufficient condition for a political crisis.

It is not only the state socialist countries which have seen a deteriorating economic situation. Many countries of the third world have far lower levels of income, and many have suffered a far more serious economic crisis, with falling levels of national income, rampant inflation and mass unemployment. It hardly needs to be said in Britain that the advanced capitalist countries themselves are not immune from crises: British capitalism was in an almost permanent condition of crisis between the mid 1960s and 1982, the recession of 1979-82 probably being relatively worse than that experienced in the Soviet block today, with the prospects for the 1990s hardly being any more hopeful. Although the severity of the economic crisis in the Soviet block has almost certainly been exaggerated by the Soviet leadership for its own purposes, it clearly is an important element of the crisis of state socialism, but it cannot in itself explain the political form taken by the response to that crisis. Why did the crisis lead to the rejection of state socialism in the East, while equally serious crises have not led to the rejection of capitalism in the West and in the South? Before addressing this question we need to look a little more closely at the components of the economic crisis, which we need to unpack.

We need to distinguish four elements of the crisis, which together define both its origin and its form.

### **a) The Crisis of the Command Economy**

At the root of the crisis lies the bureaucratic, over-centralised and inflexible planning system of the command economy. Distorted priorities and distorted information flows led to the familiar problems of poor quality, dislocated production, and extremely inefficient distribution. The irrationality of this system cannot be reduced to the self-interest of a bureaucratic elite, for such an elite would be expected to seek to maximise production in order to maximise the surplus available for it to appropriate for its own use. While the nomenclatura certainly enjoy privileges, primarily in the sphere of distribution, the irrationality of the planning system is systematic. The scandal of the planning system is not so much the privileges of the nomenclatura, which are modest compared, for example, to those of the professional middle class in the capitalist world, as the enormous waste of resources. Vast amounts of labour-time are spent unproductively; natural resources are despoiled and the health and safety of workers undermined, for minimal tangible benefits and at enormous social cost; a huge proportion of agricultural output rots away in fields and in railway sidings, or is eaten by rats; a significant proportion of the output of manufacturing industry is unusable or breaks down; an enormous amount of labour-time is devoted to maintenance and repair; a large proportion of plant lies idle for want of raw materials and intermediate products; enormous stocks are held by producers and consumers as hoards against anticipated future shortages.

There is clearly no sense in which such a system could ever be a model of socialism. But there is not really much sense in which such a system is a model of any form of planning. Indeed it would be fair to say that the sphere of planning in capitalism is much more extensive than it is in the command economies of the Soviet block. The scope and scale of planning in giant corporations like Ford, Toyota, GEC or ICI dwarfs that of most, if not all, of the Soviet Ministries. The extent of co-ordination through cartels, trade associations, national governments and international organisations makes Gosplan look like an amateur in the planning game. The scale of the information flows which underpin the stock control and ordering of a single Western retail chain are probably greater than those which support the entire Soviet planning system. The crisis of this system is not a crisis of planning as such, but a crisis of a planning system of a particular form.

### **b) The Military Sector and the Crisis of Planning**

The economic crisis has been compounded by very high levels of military expenditure, particularly in the Soviet Union, and the privileged access of the military sector to scientific, technical, administrative and material resources. This not only absorbs a huge proportion of the investible surplus, but also means that the civilian sector has to bear the brunt of the irrationality of the planning system, as scarce resources are diverted to the military. This diversion makes it appear that the planning system works in the military sector, whose military and civilian staff provide the social base for the conservative resistance to market reform, so that one reform strategy has been to produce for civilian markets within

the military sector, culminating in the plans for military conversion. However this appearance is misleading, for the growth of the military sector can only lead to an even more rapid deterioration in the rest of the economy until the reproduction of the system as a whole is undermined.

### **c) The Crisis of Economic Reform**

The most important domestic source of the economic crisis has not been the inadequacies of the Stalinist command economy, so much as the reforms which have sought to patch up the inadequacies of the system over the past thirty years. The inadequacy of the system is not a new phenomenon: it was already becoming apparent by the late 1950s. For two decades the irrationalities of the system had been overcome by mobilising easily exploitable natural resources, by the massive migration of labour from agriculture to industry, by the mobilisation of enormous quantities of female labour, and by ruthless repression, both of workers and, above all, of apparatchiks. This made it possible, at enormous social and material cost, to overcome shortages simply by mobilising new resources and by intensifying labour. However such resources were becoming harder to come by through the 1950s, while the growing sophistication and industrial strength of an urbanised working class in the context of growing labour shortages presented a powerful barrier to the intensification of labour.

The ability of the state to respond to the inadequacies of the system by restructuring the planning system, to incorporate greater flexibility and greater technological dynamism, was severely limited by the fact that the power base of the Party-State lay essentially in the bureaucratic apparatus itself, stretching right down to the working class, which was the nominal source of the legitimacy of the Party's monopoly of power. Thus the planning apparatus was both an administrative and a political apparatus, not only as a form of bureaucratic rule, of Party recruitment and of Party control, but also the form through which working class demands were channelled and filtered, and within which they were satisfied, however inadequately. Attempts to restructure the working class and to increase managerial control over the labour process by providing material incentives were a notable failure, not only because of the commitment of the working class to egalitarian values, but also because material incentives are ineffective when there is nothing to buy with increased wages. Thus working class discontent focussed not so much on wage levels as on the shortages of goods, providing a basis for working class solidarity which could not easily be broken. Thus any attempts at reform of the apparatus were met with resistance at all levels.

The result was that the inadequacies of the system were dealt with by ad hoc and marginal reforms. On the one hand, these involved establishing systems of priority access to resources, as in the priority of the military over the civilian sector, or of particular industries or regions over others, and in the privileged access of the nomenclatura to consumer goods and health and welfare services, special shops for different categories of workers, priority allocation of housing etc. However every such measure only worsened the situation by intensifying the crisis facing those without priority or privileged access to productive resources or consumer goods, leading to arbitrary switches of policy in response to economic, bureaucratic or political pressures which only increased the irrationality and unpredictability of the system of 'planning'. The limits of such ad hoc measures have now been reached, as virtually all productive resources and consumer goods and services are distributed through priority and privileged channels, making it virtually impossible for both enterprise managers and consumers to secure goods and resources without using political influence, personal contacts, and bribery to secure privileged access. Meanwhile those excluded from such channels form the interminable queue.

On the other hand, reforms have aimed to overcome the rigidities introduced by increasingly irrational systems of allocation by attempting to decentralise the planning system, giving enterprises greater autonomy and responsibility in finding ways of achieving the targets set by the Plan. Enterprises have responded by expanding official and unofficial, formal and informal, secondary channels of economic coordination - direct links between enterprises, the black market, the 'grey market' and the informal economy, and, more recently, co-operatives and private enterprise. However these measures again relieve immediate pressures only at the cost of further undermining the co-ordination of the central planning system, and introducing further sources of irrationality into the system of allocation, while enormously expanding the scope for corruption.

The result of the process of reform has been progressively to intensify the irrationality of the planning system and to politicise economic decision making, simultaneously provoking growing demands for

radical reform, while making such reform of the system increasingly difficult to contemplate, let alone to achieve. For frustrated managers, particularly in the civilian sector, who are subjected to the demands of an irrational plan which they find it increasingly difficult to achieve, enterprise autonomy has a growing appeal. Profitability targets allow management the flexibility which is excluded by the increasingly unrealisable physical targets set by the Plan. The informal mechanisms of barter, of the black market and of the emerging enterprise economy provide an attractive alternative to the unreliable means of acquiring resources provided by the plan. The prospect of a labour market holds out the promise of imposing managerial discipline on the labour force without having to negotiate every point. The accumulation of private savings of unspendable roubles implies the existence of an insatiable market, while black market fortunes promise to provide capital resources, and foreign capital offers advanced technology. Enterprise autonomy also has an appeal for the working class, in opening up the possibility of using its organised strength in plant-level bargaining, while the expansion of the market holds out the prospect of an abundance of goods, although the workers will put up increasingly militant resistance to all reform measures which lead to a further deterioration in their conditions, whether in the form of the intensification of labour, wage cuts, price rises or redundancies.

Although there are clearly powerful social forces in favour of the restoration of capitalism, there are at least equally powerful forces ranged against such radical reform. The basis of the opposition of the military and of large sections of the nomenclatura is obvious, as is that of older people nervous of change, of unskilled workers who would be the first to face the threat of redundancy, and of enterprise managers in the privileged sectors. However the barriers to reform are set not so much by conservative opposition within the apparatus as by the apparatus itself. The key to reform is the reform of prices and wages, which have to be set at levels which will permit enterprises to achieve their profit targets, workers to maintain their living standards, and the state to maintain the apparatus of social welfare and collective provision. However the extreme politicisation of bargaining over wages and prices means that a 'rational' price reform cannot be achieved, for everybody wants to increase their own wages and output prices, while holding down the prices of their inputs and of the means of consumption. Thus every attempt at price reform degenerates into pervasive political confrontation which threatens to lead to an inflationary spiral. Moreover, while the evidence indicates that the majority of the working class favours reform in principle, workers resist virtually every reform measure in practice, since the ultimate purpose of such reform is to break the negative power of the working class which is seen as the ultimate source of the inflexibility of the economic system.

The driving force of reform, and the section to which it has the greatest appeal, is not the newly emerging bourgeoisie, but the leadership of the Party-State itself, because the politicisation of the system of economic planning and management over the past thirty years has reached a state of paralysis, in which even the most minor proposals generate bureaucratic obstruction and popular protest which rapidly threaten the legitimacy of the Party and the State. When Gorbachev's rule is threatened by his failure to provide soap for Soviet miners the time has come for a change.

#### **d) From Economic Stagnation to Economic Crisis.**

The factors already discussed underlay the gradual disintegration of the system in the 'years of stagnation'. What brought the crisis to a head was none of these internal factors, but the external factor of the development of world commodity and financial markets. The Soviet block had long made good the deficiencies of the economic system by importing from abroad. Imports were not primarily of high technology means of production, which could not be produced domestically, but were predominantly of commodities, and particularly food, whose domestic production was held back not by technical but by social constraints.

The growing need for imports was not matched by significant export growth. Growing domestic consumption and the depletion of natural resources prevented the volume growth of traditional exports, dominated by raw materials, while falling commodity prices reduced export values. The gap was filled for a time by the diversion of resources from domestic consumption to export, at great cost, and by a growing foreign debt. The era of stagnation finally turned into the era of crisis when rising interest rates raised the cost of debt service, while the world debt crisis saw sources of further credit drying up.

Although external trade is only a small proportion of the domestic product, and external debt is very small by most standards, these external factors are of decisive importance. They are crucial in intensifying the domestic economic difficulties of the Soviet Union to the point of a crisis which calls for a rapid resolution. Moreover they are equally important in determining the form in which that crisis appears, as a crisis of the state, and the form of the response, as an attempt to restore capitalism in the Soviet Union. Finally, they define the basis on which it is possible to locate the crisis of the Soviet Union in the global context. From this point of view, while the form of the crisis and of its resolution is conditioned by domestic circumstances, the crisis is not an autonomous crisis, but a part of the wider crisis of the world capitalist system, of which the Soviet Union is an increasingly integral part.

#### 4. The Crisis of Capitalism and the Crisis of the State

It is very important to distinguish between two aspects of the crisis in the Soviet block. The crisis has undoubtedly been provoked by a growing popular upsurge, whose form varies from one country to another, with different national, religious and class components defining rather different aspirations. However what is remarkable about the crisis of state socialism is not this upsurge of popular resistance against the system, for we have seen such upsurges before, especially in East Germany, Poland, Czechoslovakia and Hungary. What is remarkable is the response of the state to this unrest, a response already anticipated to a limited extent in the reforms in Poland and Hungary in the 1980s, but which has happened so dramatically and with such extraordinary speed that it qualifies as nothing less than a revolution, but nevertheless a revolution from above. We should not undervalue popular resistance, but nor should we be misled by Margaret Thatcher's rhetoric into believing that we are observing popular revolutions. The revolution may have been instigated by the people, but it has been directed primarily by the state. The revolution has certainly gone further than anyone could have envisaged, but this is not because the people have seized power, but on the contrary is because the state has been so concerned to ensure that, whatever happens, the people remain excluded from power, and that power should remain concentrated in the responsible hands of the state.

The global crisis of capitalism provides the basis on which we can legitimately compare the crisis confronting the state in the Soviet block with the comparable crises of the state in the capitalist world, not merely by analogy, but because the particular instances are only differentiated forms of the same crisis. This explains the remarkable parallels between the current crisis of the state in the Soviet block and the crises which engulfed social democracy in the late 1960s and early 1970s, the dictatorships of the Southern European periphery in the 1970s, and those of the Third World in the 1980s.

What all these crises have in common, whatever the domestic economic and political structure and the domestic balance of class forces, is a crisis of an interventionist state, in which central features of economic policy had become highly politicised. An economic crisis becomes a political crisis as the state comes under growing fiscal, monetary and financial pressure to restructure economic and social relations to secure the expanded reproduction of capital, but the institutional representation of both capitalist and working class interests presents formidable barriers to any such restructuring, without providing the basis for any alternative resolution of the crisis. As the crisis deepens and class struggle intensifies the legitimacy of the existing form of the state is progressively undermined as the state increasingly appears to all social forces, for different reasons, as the primary barrier to the resolution of the crisis and the realisation of their particular aspirations. The response to this crisis is not the seizure of state power by one or another class, but the restructuring of the state and, at the same time, of class relations.

The driving force behind this restructuring is not so much the attempt to provide a resolution of the economic crisis, as the attempt to resolve the political crisis of the state by trying to disengage the state politically from the economy so as to de-politicise economic policy formation. This is achieved by the 'monetarist' restructuring of the state and of its relation to the economy, as money replaces the state as the agent of restructuring, while the money form is imposed on the state, and large sections of the public sector are nominally privatised. The importance of these measures is not, as the right claims, that the restoration of the rule of money and the market will perform an economic miracle, nor is it, as the left claims, to be reduced to the private plundering of public assets, or even to a frontal assault on the working class. Their importance is that they promise to resolve the political crisis of the state, by restructuring both the state and the working class.

Although the state appeared as the primary barrier to the resolution of the economic and political crises of the 1970s and 1980s, the ultimate barrier to that resolution was the strength of the working class. Working class resistance to the capitalist resolution of the crisis could not be broken by direct political confrontation, without risking a dangerous confrontation of class forces. Thus the condition for the resolution of the crisis of the state is the gradual, cumulative and simultaneous restructuring both of the state and of the working class, so that the resistance of the working class to the imposition of the rule of money is broken down by exploiting and intensifying divisions within the working class as the basis on which to secure its political demobilisation.

This demobilisation was achieved relatively easily in the advanced capitalist countries, where the initial stages of restructuring were undertaken primarily by social democratic governments, which were able to limit opposition by exploiting their links with the leadership of the organised working class, before conservative governments took up the baton and moved onto the offensive. In Southern Europe the dictatorships abandoned their authoritarian rule, under pressure from the domestic and international bourgeoisie, before working class resistance assumed a mass form, so that the working class did not present a significant barrier to the restructuring of the state and class relations under the domination of capital. In Latin America, South Africa, and East Asia authoritarian states have reached the point of collapse under pressure from mass popular movements, often with a pronounced class character, and it is by no means clear that the restoration of democracy and economic liberalisation can be successful in stabilising neo-liberal state forms by dividing and demobilising working class opposition. The same is true, to an even greater degree, of Eastern Europe.

## 5. The Crisis of the State and the Prospects for Socialism

The current crisis in the Soviet block closely parallels the crisis of social democracy in the 1970s: integration into the world market has increasingly subordinated the domestic economy and the nation state to constraints imposed by global capital, but a capitalist restructuring is impeded by interests entrenched in the state bureaucracy and by the institutionalised power of the working class. The appeal of privatisation and the market to the state is that it depoliticises economic regulation and the large areas of economic policy formation, and so promises to disengage the state from the economic crisis. The reforms of the last twenty years have created a social stratum (enterprise managers, fixers, black marketeers, scientific and technical workers) which has increasingly confronted the state as a barrier to its aspirations, and which sees the restoration of capitalism as the means to break free from the shackles of state control and gain professional freedom and financial benefit. The working class has also increasingly confronted the bureaucracy as a barrier in every aspect of its daily life, so that liberalisation, the market, and even the restoration of capitalism, has a certain rhetorical appeal. However, the state has so far failed in its attempts to divide and restructure the working class by providing material incentives, and the attempt will continue to fail until higher wages for privileged workers can provide access to more goods and better housing, which can only happen as the result of the restoration of capitalism. The result is that, however much the working class may be drawn to the rhetoric of reform, we can expect it to continue to resist the introduction of the measures required to achieve such a reform.

At the moment it is clear that democratic socialism is the weakest force in play in the Soviet Union, but the longer the current impasse persists the greater are the chances that a socialist movement will be able to build itself. However, the likely failure of reform does not mean that a new base for a socialist movement will necessarily emerge in the Soviet Union, for the power of the working class is still largely negative, while the political debate is confined almost entirely to the ranks of the political elite, setting liberalisers against those who wish to return to the security and order of the discredited system of the command economy. There is plenty of scope for the elite to exploit national, ethnic and gender divisions to sustain the demobilisation of the working class, and there is every possibility that further disintegration will promote popular demands for strong and decisive government which could be exploited by authoritarian liberal, conservative or fascist currents.

The lesson for socialists of the fate of state socialism, in both its Soviet and social democratic variants, is that socialism cannot be imposed on society through the alienated form of the state, but can only be achieved by building on the self-organisation of the working class. The conquest of state power, far from

being the immediate ambition of a socialist movement, is a poisoned chalice so long as the working class has not developed alternative forms of democratic organisation to replace the alienated forms of state power. This is a lesson which socialists are beginning to learn: in Nicaragua, where the Sandinistas relinquished state power to return to defending and rebuilding a movement which was coming increasingly in conflict with the state; in Brazil, where the Left's sigh of relief at narrowly losing the Presidential election could be heard across the five continents; in South Africa, where the mass movement is resisting being drawn into the headlong stampede to achieve political respectability of its self-appointed leadership; maybe even in Britain, where the Labour leadership has made it clear that it seeks no more than jobs for its boys and girls.

The challenge presented to socialists by the crisis of the Soviet Union is precisely the same as the challenge presented by the bankruptcy of social democracy, of finding ways of developing the democratic socialist principles embodied in the self-organisation of the working class as the basis not only of negative resistance to the degradations of capital and the oppressive power of the state, but of a positive movement for universal human liberation. This cannot be achieved by developing yet more socialist programmes to be imposed by the state, but by building a socialist movement on the basis of working class organisation.

The opportunity opened up is, as Hugo Radice has noted, that the collapse of both of the complementary forms of state socialism at last enables us to break free of the false polarisation between Communism and Social Democracy which has tyrannised the left for almost a century and which enables us to reclaim the alternative traditions of socialism which have regularly emerged from the self-organisation of the working class.