

Marxism Is Dead, Long Live Marxism!

Michael Burawoy

MARXISM IS DEAD. So we are told. It has shown itself to be morally, politically, and economically bankrupt: it justified the gulag, the Soviet-Nazi pact; it provided the foundation of totalitarianism, the decimation of the peasantry, the denial of civil rights to its working class and oppressed nations, as well as armed invasions of its colonies in Eastern Europe; through its advocacy of planning it promoted proverbial inefficiency, waste, shortages and low standards of living. The bankruptcy of Marxism as ideology spells its death as science. The prediction of a socialist future is its most fundamental flaw. The failure of communism proves that there can be no future after capitalism. Communism is only a nightmarish detour: the longest road from capitalism to capitalism. The scourge of Marxism has finally been laid to rest.

SO SPEAK the jubilant apostles of Marxism's demise. But what form of idealism is this that attributes such demonic powers to an ideology, to a system of ideas? And, if Marxism is so all-powerful, why would it so calmly wither away? Their claim that Marxism is responsible for failure of "communism," while flattering to the power of Marxism, receives little substantiation from historians who also call attention to the conditions of the Soviet Revolution—the legacy of backwardness, the encirclement by industrially more advanced nations, fighting first a civil war and then bearing the brunt of a world war, the arms race, and so it goes on.

I should like to thank the Bay Area *Socialist Review* editorial board, and particularly Brian Powers, for comments on an earlier version of this paper

As to Marxism's status as a science, far from being a refutation of Marxism, Soviet communism's failure to realize the promises of socialism is a powerful vindication of Marxism. After all, the social-democratic wing of Marxism in the tradition of Eduard Bernstein, George Plekhanov, or Karl Kautsky was forever condemning the Bolsheviks for usurping history. Even the revolutionary Rosa Luxemburg, while ardently supporting the Bolshevik seizure of power in 1917, warned them not to make a virtue out of a necessity: premature seizure of power is a necessary part of the world revolutionary process, and the Bolsheviks had been compelled to do so under the most difficult of circumstances, but they should not turn the peculiarities of the Russian Revolution into a model for subsequent revolutions. Moreover, she added, without parliamentary assemblies, without freedom of press and association, without free expression of opinion, "life dies out in every public institution" and the dictatorship of the proletariat becomes the dictatorship of bureaucracy.

Except for post-revolutionary Marxism-Leninism, Russian Marxism was no more optimistic about the prospects of socialism in one country. As early as 1906 Trotsky was anticipating both the inevitability and the degeneration of a Russian Revolution. He was destined to become a carrier and then a victim of the very forces he predicted would ensnare the revolution—forces he would analyze in great detail when later cast into exile. Like Trotsky, Lenin insisted that without revolution in the West the Russian revolution was doomed. His foreboding and fear of bureaucratization and his embrace of state capitalism through the New Economic Policy are too well known to need recounting here. Even Marx and Engels themselves were unequivocal: "[T]he development of productive forces is an absolutely necessary practical premise because without it *want* is merely made general, and with *des-titution* the struggle for necessities and all the old filthy business would necessarily be reproduced." If communism was to be, it would come only after the entire world had been conquered for capitalism.

The "Marxism is dead" school would do well to confine its self-congratulation to the burial of Marxism-Leninism, if only for reasons of self-preservation. They violate history when they reduce all Marxisms—the writings of Marx and Engels, the German Marxists, the original Russian Marxism, and the Frankfurt School, and third world Marxism—to Marxism-Leninism. More sophisticated anti-Marxism recognizes the plurality of Marxisms but claims that Marxism-Leninism

is but their logical culmination, their highest expression. The dogma of Marxism-Leninism is read back into all Marxism. It is the pure form of the cancer which afflicts all its varieties. These conclusions rest less on careful analysis of the history of Marxism and more on the religiosity of anti-communism.

I too am celebrating the death of Marxism-Leninism, but as the death of a ruling ideology which, in the name of Marxism, sought alternately to hide and justify class domination. Petrification besets any ideology which is used to deny or rationalize the violation of its core commitments. What we are witnessing, therefore, is not the death of Marxism but the death of its most degenerate branch. Or to put it another way, we are witnessing the *liberation of Marxism* from forces which have often distorted and stunted its growth. The winds of glasnost may spread the seeds of new revitalized Marxisms, but can they meet the challenge of perestroika—the transformations of the Soviet Union and Eastern Europe?

The Rise and Fall of State Socialism

ACCORDING TO THE "death of Marxism" school, the end of communism spells the rise of capitalism. It is assumed there are only two possibilities—communism which has been discredited and capitalism which has been vindicated. But to assume this choice is to make the same mistake as Marx and Engels, who thought the end of competitive capitalism spelled the end of all capitalism. Why should the end of barracks communism, or what I prefer to call "state socialism," be the end of all socialism? Indeed, in an ironic twist on Marx and Lenin's theories of the transition from capitalism to communism, history now poses not just the question of the transition from *communism to capitalism* but also from *communism to socialism*. But irony takes a further twist for, as I shall argue, Marxism's theory of transitions works even better for state socialism than it does for capitalism.

Before examining the transformation of state socialism let me recapitulate how Marx's theory was supposed to play itself out for capitalism. Historical materialism treats history as the intersection of class struggle and the law-like unfolding of social relations which are both indispensable and independent of an individual's will. With respect to capitalism, privatized appropriation first advances and then fetters

socialized production, galvanizing the working class into revolutionary action. More specifically, capitalists compete in the marketplace for profit by lengthening the working day, intensifying labor, and cutting wages but above all by introducing new technology which simultaneously deskills work and increases the reserve army of unemployed. Once one capitalist finds new ways to extract more surplus every capitalist must follow suit on pain of extinction. The results follow just as inexorably: mounting production of goods which can no longer find buyers, the destruction of forces of production, and the accumulation of waste. These same economic processes create a class structure polarized between the concentration of capital and a working class made up of homogenized deskilled labor whose struggles, first in the economic arena and then in the political, intensify as its position deteriorates. Thus, as capitalism creates ever deeper economic crises so it creates its own gravedigger in the form of a revolutionary working class.

There are, of course, many flaws in this theory and Marxists have devoted much energy to reconstructing the original analysis by developing theories of imperialism, underdevelopment, combined and uneven development, monopoly capitalism, state intervention, ideological hegemony, capitalist patriarchy, capitalist democracy, dual labor markets, contradictory class locations, and so on. Indeed, the vitality of Western Marxism has resided precisely in the bold and imaginative theories that turn apparent refutations of Marxism into illuminating confirmations.

How might historical materialism be applied to the transformation of state socialism? The defining attribute of state socialism is state appropriation and redistribution of surplus. The forces of production, while owned by the state, are managed in enterprises which have a discrete organization. Historically, the state begins by directing enterprises to produce specified products, ones necessary to build the infrastructure of an industrial society: energy, transportation, education, communication, steel. In laying the foundations of industrialization, Soviet planning can claim considerable success—if at great human cost. Central ownership created obstacles to economic development as goods became more specialized, catering to consumer needs. Central control was relaxed to give greater autonomy to enterprises which would now compete for resources from the center in order to enhance the political position of their managers. Bureaucratic competition, every bit as

fierce as market competition, gives rise to its own irrationalities. To paraphrase Marx, from a form of development of the logic of production, the logic of investment turns into its fetter.

This perspective on the continued vitality of Marxism as it applies to state socialism comes from my experiences in Eastern Europe over the last seven years. The Hungarian steel industry, where I worked as a furnaceman between 1985 and 1988, illustrates the contradictory forces that enmeshed the entire society. As in other socialist countries, the production of steel was the rallying cry and emblem for socialist development in the 1950s. Resources poured into the steel industry. A new Stalin Steel Works (now known as the Danube Steel Works) was created and two other steel works in the North were expanded. In the 1950s, what mattered most was the volume of steel produced. This amount could be laid out in planned directives from the central authorities. But with the growth of industry, the production of diverse steels became imperative. New investment was planned in the 1970s which would introduce modern technology and afford the production of quality steel. Leading these developments was the construction of a new combined steel mill within the huge complex of the Lenin Steel Works at Miskolc, recently renamed the Diósgyőr Technical and Metallurgical Works. It combined a German basic oxygen converter, Japanese continuous caster and electric arc furnace, and a Swedish vacuum degaser. The Combined Steel Works came on line in 1981 at the very height of the international crisis in steel production. Instead of making profit and producing steel for export as expected, the Lenin Steel Works went further into the red, so much so that its director committed suicide. Having battled for scarce foreign currency against the two other steel enterprises, he had to deliver but failed.

Lenin Steel Works outlived its director to begin to produce quality steels for manufacturing industry. But only with difficulty. It was surrounded by a sea of more backward technology which produced unreliable inputs. Outdated blast furnaces produced pig iron of inconsistent quality; another major ingredient, scrap, was not even graded. The rolling mills which process the molten steel were also from another era. This uneven development of technology is not a function of error or corruption but of the "rationality" or "irrationality" of a bureaucratic bargaining in which resources are distributed according to political criteria. Instead of all new investment being concentrated in the renova-

tion of one steel mill, it was divided among three steel mills, leading to partial renovation and therefore uneven development within each.

Within the Combined Steel Works itself, the production of quality steel tended to be a hit-or-miss affair. Having visited other steel mills I know that these problems are endemic to steel production in Western countries, particularly the United States. But under state socialism problems of internal coordination are acute because of shortages. In a centrally directed economy, paternalism governs the relations between state and enterprise. Enterprises are rarely closed down, although their managers might be removed. In order to protect and advance their interests, enterprise managers seek to garner more resources, particularly investment resources, from the state. Their demands become insatiable, equalled only by the intense bureaucratic rivalry for those resources. Inevitably this leads to shortages, which in turn leads to hoarding and the further exacerbation of shortages. Shortages and the unreliable quality of inputs are very disruptive to any complex production process. Such uncertainty has often generated distinctive flexible and autonomous forms of work organization on the shop floor. For a time these even became formalized in types of inside contracting systems—self-organized, self-selected groups of workers would bid for specialized tasks to be completed in extra hours. But there were definite limits to their expansion as they threatened the political interests of middle managers.

With increased demand for variegated products, Marx's theory of the fettering of the forces of production by the relations of production is vindicated. But what about history as the history of class struggle? Marx distinguished between changes in the material conditions, that is the evolving conflict between forces and relations of production, and the ideological forms in which people become conscious of this conflict and fight it out. To understand the ideological terrain we must first turn to the distinctive form of politics engendered by centralized ownership.

From Painting Socialism to Painting Democracy

WITHIN THE MARXIST FRAMEWORK private appropriation provides its own legitimation—ownership of the means of production bestows individual rights of control over what is produced by workers. There is a close correspondence between capitalist relations of produc-

tion and the ideology of individualism and individual rights. Class relations are thereby mystified. With state socialism, on the other hand, centralized appropriation and thus class relations are transparent: there are conceivers (planners) and executors (direct producers). Because it is palpable, central appropriation has to be legitimated, which makes state socialism vulnerable to immanent critique—to the discrepancy between ideology and reality. State socialism promises justice and equality but produces injustice and inequality. State socialism promises efficiency, but all around we find waste and inefficiency. Its ruling class continually “paints” socialism, that is presents it in a light that is clearly falsified by day-to-day experience. This painting of socialism is not simply the bombardment of political messages, it is also embedded in compulsory rituals—in campaigns, production conferences, marches, and brigade competitions.

This immanent critique, this condemnation of existing socialism for not living up to its promises, can lead to either an endorsement of “true” socialism or a cynical rejection of socialism altogether. The adoption of one or other of these alternatives varies over time and between classes. During the first twenty years of “communist rule” in Eastern Europe, revolutionary movements challenged the social order in the name of socialism. They sought a renewal of socialism. This was true of Hungary in 1956, among the followers of Imré Nagy, among leading intellectuals, as well as among workers who set up elaborate networks of workers' councils. In Czechoslovakia in 1968, intellectuals led the search for a socialism with a human face, followed by independent workers' struggles. By 1981, Polish discourse had become increasingly anti-Marxist and often anti-socialist, yet Solidarity's project was still a socialist one in which the direct producers would reappropriate control of civil society within the shell of a socialist state. Solidarity has now been hijacked by intellectuals hungry for the market and Western capital all in the name of democracy.

The convulsions we have been witnessing for nearly a year now have shifted the discourse from an immanent critique of state socialism to the celebration of democracy. The vocabulary of socialism has lost all credibility among all classes of Eastern Europe. It has become the currency of an aggressive war of delegitimation. *Painting socialism* has been replaced by *painting democracy*. Ideology and reality are as far apart as ever. Ritual affirmations of the magic of democracy are sowing the seeds of its destruction. For the moment it binds people on the

basis of what they reject. But as a positive program it portends intense class war. Let me sketch the class forces that are colliding on the terrain of Hungarian democracy.

While never denying the progressive attributes of bourgeois democracy, Marxism has always been skeptical about its claim to freedom, particularly as it relates to the working class. That view finds substantial confirmation in Hungary. When I ask my workmates in the Lenin Steel Works about politics and democracy they shrug their shoulders. They can't figure out the difference between the parties. They all promise a better future, they all condemn the past. So when workers discuss politics they talk about the corruption of the party leadership and the latest scandal that has erupted in Budapest. They talk about the bonuses their bosses receive and their continuing misuse of resources. I ask whether the investments by foreign capital have made much difference and they laugh. Cynicism is widespread, not just at the workplace, but at home too. A widowed pensioner, hardened by working in industry all her adult life, now has to find odd jobs because rampant inflation makes it impossible to live off her pension. She complains that it doesn't matter who is in power, Hungarian leaders have always looked after one another. "Why don't we put some of these people on trial like they are doing in East Germany? They tell us such show trials would be bad for foreign investment!" For the working class, democracy is only meaningful if it gives them some real control over those who run society, over what happens to the products of their effort.

They have good reason to be skeptical of democracy and electoral politics. What, after all, does democracy mean to the *apparatchiks* of the state and the managers of industry? For them democracy means the freedom to assume private ownership of state property. It means the freedom for the *nomenklatura* to turn itself into a class of capitalists. Democracy affords a legal route to the transformation of property relations without a change in class membership. New legislation allows erstwhile managers and *apparatchiks* to write off their taxes if they accept (!) privatization loans from the government to buy up either their own or other state enterprises. Egged on by US bankers, the state is trying to divest itself of all its property as quickly as possible. Foreign capital is invited to buy up state enterprises for a fraction of their book value. It turns out that there are always capitalists ready to buy proper-

ty, even socialist property, for peanuts. As Lenin once wrote, the omnipotence of wealth is more certain in a democratic republic.

But why should managers get the enterprises rather than workers? You may well ask. Others asked this too and so legislation was introduced which would allow workers to buy up shares in their companies. However, it was argued that workers don't understand the meaning of risk so they, unlike managers, have to pay for their shares out of their personal savings! The legislation seemed designed to make worker buy-outs impossible. The struggle goes on, for some do realize that turning state property over to managers and foreign capital could court political disaster, particularly since the project is being financed by increasing taxes (most recently on private mortgages) and by eliminating state subsidies on some basic items while reducing it on others (such as rent). Thus, for example, subsidies for workers' dormitories were withdrawn and so homelessness for the first time became a public issue in January of this year. Inflation is expected to be 40 percent in 1990—unimaginable under the previous regime.

What are the unions doing? One of my friends who works for Miskolc City Transportation has just been elected, against her will, to shop steward. The union, she says, is a "big nothing." All talk and no action. The bosses still decide everything. In a few isolated enterprises workers have thrown out their unions and established their own councils, but it is not clear what to do next. There is no party that speaks specifically to workers. The communist party transformed itself from the Hungarian Socialist Workers' Party to the Hungarian Socialist Party, as if the very mention of worker was even more of a political liability than the word socialist! Even the World Bank is uneasy about the lack of interest in social policy, in retraining unemployed workers, in strengthening trade unions. Even the World Bank is to the left of the present Hungarian government!

FOR THE MOST PART workers wait and see the "quiet before the storm," as my ex-shop steward told me last summer. Massive unemployment has yet to come. For now they say, "You can't recover from forty years of communism overnight. The next few years are going to be tough. But strikes are definitely not the solution. Just look at Poland." But for how long will they be patient? As inequalities intensify, as their standard of living continues to erode, as unemployment increases will they sit back and watch? After all, state socialism,

despite itself, did create a working class which was assured a certain minimal security and standard of living. Rights of employment and welfare are simply taken for granted. What happens when these customary rights are profoundly disrupted, as surely they will be when capitalism comes to Hungary?

There is one class which has a clear insight into the virtues of a market economy. They are the emergent petty bourgeoisie who for over a decade have been expanding their ranks, hiring out their services, setting up shops, boutiques, restaurants, bars. They know where their interests lie and they are organized. In January they undertook a two day national strike for commerce and against administration, a strike against the bureaucratic red tape that still straps their entrepreneurial energies. For them democracy means freedom from the state, it means autonomy. Booty capitalism for the *apparatchiks* and boutique capitalism for the petty bourgeoisie—they both share a distinctive understanding of democracy, namely democracy for the few.

What about that other fraction of the petty bourgeoisie, the celebrated “new class”—the intellectuals? They are the true devotees of democracy, its publicists and propagandists. As intellectuals they depend on basic civil liberties to ply their trade, to communicate, to develop their “culture of critical discourse.” They too seek autonomy from the state, autonomy from censorship, the freedom to write and speak their mind. They are the new politicians, the leaders of the dozens of political parties that have mushroomed in Hungary in the last year. They are there on the radio, on the television and on the newsstand, spewing out their condemnation of communism, Bolshevism, socialism, the state, trade unions, the party.

While the Hungarian Socialist Party continues to run the government, the two major contenders for power are the Free Democrats and Hungarian Democratic Forum. They replay an old Hungarian battle between National Populism, advocating a Third (Hungarian) Road, and the Westernizers who seek to construct Western liberal democracy based on Chicago economics. Rather than developing their platforms and taking them to the people, they aggressively abuse each other as being worse than the Bolsheviks or being anti-Semitic and chauvinistic. This orgy of words and slander doesn't mean much to those outside their ranks. That yawning chasm between intellectuals on the one side and workers and peasants on the other—a chasm of mutual suspicion and contempt—cannot, after all, be bridged overnight.

If the Third Road is unclear, perhaps leading toward some form of Peronist rule, the capitalist road involves the coercive imposition of the market, what Boris Kagarlitsky has aptly termed “market Stalinism.” This is the road to disaster. Forty years of communism has unleashed a simple-minded faith in the magic of the market. When Hungarians think of capitalism they think of Germany or the United States or Japan or perhaps South Korea. They don't think of Peru or Bolivia or Kenya. They expect the West to bail them out with loans and gifts, perhaps even write off part of the \$20-billion debt, as if capitalism owed them a new lease of life. Selling state enterprises to foreign companies is seen as the dismantling of socialism, not as the creation of new forms of subjugation, not as a headlong rush into rampant deindustrialization. Having faced the party state for forty years, the world capitalist market is seen as liberator, not as exploiter. Even the great Hungarian economist János Kornai, no fan of socialism, considers the present trajectory to be suicidal. He advocates state subsidies for the private sector rather than the immediate sale of public enterprises.

If money is not already flowing in, the free marketeers claim that this is because the West is waiting until after the elections. Then the final remnants of socialism will be swept away and democracy will establish a new stability conducive to free markets and capitalist expansion.

Will reality be so kind? Marxism teaches us that electoral democracy does not give rise to a thriving capitalism. To the contrary, electoral democracy requires as its precondition an expanding capitalist economy. As Gramsci taught us long ago, capitalist democracy is only stable if it can engineer real material concessions to its constituency. More than likely, the elections on March 25th will be followed by deepening chaos in which one unstable coalition will follow another. Representing a common opinion, one president of a collective farm and member of parliament assured me that to turn chaos into order Hungary needs a “sheriff.” Hungary may get one too. Let us not mistake the rhetoric of democracy for its substance.

Prospects for the Future

WHAT IS CLEAR from this brief sketch of the social forces at work in Hungary is that they follow class lines. I would expect this to be also true of the other Eastern European societies, particularly where civil society is still rudimentary. At the same time, these societies exhibit very different constellations and balances of forces. Even under the iron fist of communist rule these countries assumed very different paths of development. Hungary, for example, early on dismantled central planning, created a thriving legal second economy alongside the state sector, and realized a successful collectivization campaign in the early sixties. But in each country the transition to capitalism seems to be activating a contest of classes on the terrain of democracy. I am reminded of Marx's commentary in *Class Struggles in France*: "But if universal suffrage was not the miraculous wand for which the republican duffers had taken it, it possessed the incomparably higher merit of unchaining class struggle, of letting the various middle sections of the petty-bourgeois society rapidly live through their illusions and disappointments, of tossing all the fractions of the exploiting class at one throw to the head of the state, and thus tearing from them their treacherous mask." One shouldn't forget that it ended with the coup d'état of Louis Bonaparte. Kadarism may yet represent a radiant past!

If, for the time being, the socialist vision is dead in Eastern Europe, is it also dead in the Soviet Union? Travelling between Budapest and Moscow gives one the impression that, whereas Hungary embraces capitalism as its natural destiny, the Soviet Union (or should I say Russia) provides a most infertile soil. The visible contrasts are extreme. Next to the Soviet Union, Hungary is a consumer paradise. One can buy anything one wants from oranges and bananas to AT computers, all in ordinary shops and with local currency provided one has enough. In the Soviet Union the shops are empty, and only graft and cunning secures one's daily bread. Western entrepreneurs seeking joint ventures are continually frustrated by Russian failure to grasp the profit motive, just as they are fascinated by Hungarian ingenuity. If capitalism cannot grow in Russia, there may be no alternative to socialism.

So much for the negative forces inhibiting capitalism—what about the positive forces for socialism? The Soviet democratic revolution has already unchained national struggles on the periphery of the Soviet Empire. But even if these republics were to secede, there still remains

the heartland of the Soviet Union, the Russian Federation, with 50 percent of the population, 76 percent of the land area, 70 percent of the national production, and the bulk of the natural resources. Here class struggle could still advance toward the renewal of socialism, much as Solidarity was advancing in 1981. Here the collapse of the party state and the construction of political pluralism could engender a democratic socialism. There was, after all, a revolution in Russia. Its nationalism may not be closely tied to the fate of the party but it is still tied to the future of socialism. What such a democratic socialism might look like is unclear but it is likely to be more attractive than a peripheral, clientelistic, booty capitalism.

Shed of Marxism-Leninism, Marxism remains a vital tool to comprehend not only the trajectory of capitalism but also the demise of state socialism and a possible socialist future. Other frameworks have been so driven by their hostility to communism that they got no further than static models of totalitarianism and inefficiency. They proved blind to the dynamics of these societies. Marxism provides a framework within which to learn from the last seventy years of Soviet history. Rather than repress it as a catastrophe or celebrate its despotism as socialism's essence, those committed to a viable future beyond both capitalism and state socialism may want to understand how the Soviet society survived as long as it did—how its economy worked at all. With that understanding we can proceed to construct alternative models of socialism. The end of communism, far from being the end of socialism, opens up debate in the West and the East, in the North and the South, about what we might mean by socialism.

SOcialism will remain, we can be sure of that. Even where its reality fails, its promises will live on as long as there is capitalism. Just as the irrationalities of state socialism generate utopian visions of market capitalism so the abiding irrationalities of advanced capitalism will continue to generate utopian visions of socialism. And after all utopias are what move people to make a better world, to hold out the possibility of a better future—one which guarantees greater material security, gives greater scope to the realization of individual needs, and provides the means for collectively shaping the society in which we live. Capitalism continually generates problems for which it has no solutions. So, the death of socialism, like that of Marxism, comes only with the death of capitalism.
