The East European Upheavals, German Unification and the Future of Marxism: The Continuing Relevance of the Concepts of State Capitalism and Marxist Humanism

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Reflexive Statement

This article is a product of over two decades of support work for East European dissident movements of the independent socialist type, dating from my first involvement with opposing the Soviet intervention in Czechoslovakia in 1968 while a member of Students for a Democratic Society. In the summer of 1990, I was able to visit Berlin and Prague, and to meet some of these independent radicals face to face. In addition, I have worked for some years on theoretical issues with regard to how radical humanists in the West should conceptualize the nature of official Communist systems. This led me to the concepts of state capitalism and Marxist Humanism. This article was finished in June 1991, just before the final disintegration of the Communist system in the USSR. Since then, the lands of the former USSR have evolved in a manner roughly similar to the formerly Communist societies of Eastern Europe.

Introduction

As the year 1991 opened, the resignation of Mikhail Gorbachev's trusted colleague Eduard Shevardnadze, who warned of the danger of a new dictatorship, only underlined the sense of deep crisis in the Soviet Union. The daily headlines — from food shortages in Moscow, to the election in Poland, to the reports of millions of refugees heading West, and of the new unrest throughout the Soviet Union and East Europe— showed the deepening crisis in all of the lands which once comprised the system built by Stalin and maintained by his successors. One year earlier, in the fall and winter of 1989-90, tens of millions came into the streets in a series of sudden and unexpected mass revolts, which, at a stroke, toppled more than forty years of single-party rule in East Germany, in Czechoslovakia, and in Romania. More drawn out but equally dramatic changes were also taking place in Hungary, Bulgaria, Yugoslavia, Albania and most importantly, Poland. The result was the sudden break-up of a whole empire, sweeping away not only the Berlin wall, but also the old ruling classes. Yet with the fall of statist Communism came still newer challenges, as deep contradictions emerged within the democratic movements themselves.

East Europe is a region which has produced the 1953 East German workers' uprising with its slogan "bread and freedom," the Hungarian Revolution of 1956 with its workers' councils, and the Prague Spring of 1968 with its debates over socialist and Marxist humanism. Poland's Solidarity labor movement of 1980-81 made the issue of workers' control central. A new society different from either Western capitalism or Russian Communism was posed within each of these movements. Yet today, there is the danger of being swept into a private capitalism of the Reagan-Thatcher variety, as many are gripped by the notion that there is no third way between capitalism and statist Communism (Domanski 1990). In 1968, before it was crushed by Brezhnev's tanks, Czechoslovakia, with its espousal of the radically democratic concept "socialism with a human face" and with its many discussions of Marxist Humanism, exemplified best the essentially leftist character of many of the East European opposition movements of that era. Yet by the 1980s and 1990s, the ideology of the Western type "free market" seemed to hold sway everywhere. Does this mean that the 1989-90 upheavals were not only a repudiation of statist Communism, but also of all forms of socialism and Marxism?

I will attempt to address this question by making a brief sketch of the political situation since 1989 in the former East Germany, Poland, the Soviet Union, Czechoslovakia and Romania. I will forego an examination of either Yugoslavia or Albania, where the outcome is still very unclear, and where the old political systems were not directly dependent on Moscow. Especially in Yugoslavia, the situation is extremely complicated, with some democratic socialists having cast in their lot with the ultra-nationalist Serbian leader Slobodan Milosevic. Particular attention will be given to the former East Germany, not only because its revolt was the first major upheaval of 1989, preceding those

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in Czechoslovakia and Romania, but also because it is here that leftist and Marxist currents are relatively stronger than elsewhere in Eastern Europe. I will seek to demonstrate that leftist movements and ideas, although frequently marginalized, persist today. I will also try to argue that there were many implicitly anti-capitalist demands and aspirations in the mass upheavals of 1989-90, even when they were to a great extent dominated ideologically by the lure of an "affluent" Western style market economy.

A more theoretical issue posed by the 1989-90 upheavals is the question of the "death" of Marxism. If by Marxism one means the reigning ideologies of statist Communism, then it may be dead. However, there are strands of Marxism other than these official ones, currents which are hardly discredited, and in many respects vindicated, by the 1989-90 upheavals and their aftermath. I will single out two of these strands for discussion: the theory of state capitalism and the concept of Marxist Humanism. The former offers critical insights into the structure of, and the contradictions within, statist Communism, while the latter offers a radical subject-centered vision of a liberated society going beyond either capitalism or statist Communism.

German Unification: Contradictions and Oppositional Currents

While there is no denying that the population of both East and West Germany yearned for unification, the masses and the elites saw the process quite differently. For the masses, it meant reunification of families and friends, freedom to travel, other democratic liberties, and the hope of a higher standard of living. For the elites, it meant expanded international power, a cheap labor supply to exploit in eastern Germany, and fortunes to be made from speculation in land and commercial properties. Even before unification, West Germany was the dominant power in the West European Economic Community. A united Germany will extend that power still further, while at the same time becoming a major economic power in East Europe and perhaps even in the Soviet Union itself. If hostilities between the U.S. and the Soviet Union continue to fade in the next few years, it is possible that Germany and the U.S. will themselves become rivals for economic and political power in Europe.

The elites are relieved that, as against 1989-90, politics is now taking place mainly in established bodies like the parliament with all the old political parties in charge. But as I saw when I visited Berlin in 1990, to many activists and ordinary people, something has been lost, even betrayed, since the 1989 revolt when millions took to the streets

to demand freedom. The most detailed account to date of the fate of the mainly leftist opposition movement in East Germany discusses the developments after the wall came down under the category "the lost revolution" (Allen 1991). At the same time, many contradictions remain.

Take one of the most debated contradictions, the former East Germany's stronger laws in the area of women's rights, which will now be replaced by West German law. Most of the debate has been over the infamous Paragraph 218 of the West German Constitution, which has been interpreted by the courts as severely limiting the right to abortion, requiring a woman to get both a doctor and a social worker to attest that having the baby would endanger her health (Protzman 1990). A demonstration against Paragraph 218, held in Bonn in June 1990, drew 15,000 people, mainly West German, but including as a speaker Christina Shenk of the East German Independent Women's Association. Referring to the East German law which provides a woman's right to choose and state-funded abortions up to the twelfth week of pregnancy, Shenk(1990) stated: "We demand at the very least the enactment of this law for a united Germany." By July, 1990 over 100,000 East Germans had written to their government demanding that the current abortion laws be kept (*Week in Germany*, 1990a). In a dramatic demonstration against conservative East German Prime Minister Lothar de Maziére, women held up a sign which read: "If the rubber has a tear in it, Dear Lothar, what then?" (*Frankfurter Allgemeine Zeitung*, 1990). As a result of these protests, the enforcement of Paragraph 218 was put off until 1994 in the former East Germany.

The Independent Women's Association certainly did not hold up the old East German laws as any general model, however. Their election platform for March 1990 pointed out that East German women earned only 75% of the wages of men, and that women did 80% of the housework. The women demanded "that structurally important sectors of the economy be transformed from state property into genuinely collectively owned property and that they be protected against privatization" (*East European Reporter*, 1990, p. 54). The women have also had to face elitism from Left groups. In the March 1990 elections, noted Peter Marcuse (1990): "In the East, an electoral coalition between the Greens and the very progressive and competent Independent Women's Association broke down when, as a result of a quirk in the electoral arrangements, all of the coalition's 8 seats went to Greens, none to Independent Women, and the Greens refused to surrender even one of their seats to adhere to the spirit of the coalition agreement (p. 8)."

Other protests have been over economic conditions. In my several visits to West Germany over the past decade, I could easily see the growing effects of 15 years of high unemployment, ever since the 1974 oil crisis. Before 1974, unemployment averaged less than 1%, but since then it has increased steadily, averaging over 6% for the entire decade 1980-89 (*OECD Economic Outlook* 1990, p. 197). This, combined with the conservative Kohl government's austerity policies, has led to homelessness, drug addiction, and higher crime rates. Simply walking around the train stations in Berlin or Frankfurt and seeing the homeless and the panhandlers, quickly belies any notion of West Germany as a prosperous country so different from the rest. In the East, working people face the prospect of eviction from their already cramped apartments due to claims from former "owners" now living in the West whose property was nationalized. They also face skyrocketing rents due to real estate speculation. On the job, many workers will face new managers, either Westerners or retooled Communists, who are attempting to lay them off or to slash their already miserable wages and benefits.

There have been many strikes and demonstrations by working people in 1990 and 1991. Those in July 1990 involved 30,000 metal workers who went on wildcat strikes to demand a hefty wage increase in Western currency, reduced hours and, most importantly, no layoffs. They got a promise of no layoffs before July 1991, a wage increase, and were promised a 40-hour week (*Week in Germany* 1990a; 1990c). More big strikes by railroad workers took place in the former East Germany in late 1990, directed against the possibility of layoffs. By March 1991, tens of thousands of workers and other citizens poured into the streets of Leipzig and other large cities in eastern Germany, where they expressed outrage over the rising unemployment rate and the deterioration of their standard of living since unification. The new demonstrations began on Monday, March 18, in an attempt to rekindle the weekly Monday night Leipzig demonstrations which had been so crucial in toppling the Communist regime in the fall of 1989 (Verdier 1991). The protests kept up for several weeks, by which time Kohl was booed and pelted with eggs when he visited the eastern city of Erfurt.

East German students have also been on the move. In June 1990, 10,000 of them demonstrated and sat in outside the Parliament in Berlin with signs such as "Bread and Books" and "Strung Along Again?" They were protesting against their low financial aid allotments at a time of raging inflation. They demanded that pension money for the secret police be redirected to scholarships and that military institutions be shut down and converted into housing to alleviate the severe shortage (Moeschk 1990). About the situation at Leipzig University, in the

former East Germany, one student eyewitness wrote (Nelson 1990): "All the professors are trying to prove how able they are to teach things as the Christian Democrats see them, just as they formerly taught what the Communist Party saw fit. Accommodation and assimilation is the word." The lack of fundamental differences between the East and the capitalist West is seen especially well in how easily some of the old bureaucrats, managers, and ideologues are adjusting to the changeover.

The December 1990 all-German elections were as a whole a victory for Helmut Kohl's conservative coalition. In this general climate of conservatism, however, it was notable that the Alliance '90, an independent left slate composed of New Forum, Greens and other former opposition groups in East Germany, actually did far better at the polls than did their better-established West German counterparts such as the Green Party and the West Berlin Alternative Liste. In her acceptance speech for a "democracy prize" in 1990, New Forum leader Bärbel Bohley (1991) alluded to the "encrusted" nature of Western democracy's "traditional representative system" and called for a "revolution" to establish "real democracy" (p. 29). All of this suggests that a radical opposition will continue to exist in the former East Germany, and perhaps even grow if economic and social conditions continue to deteriorate. It was thus no accident that Germany experienced the most massive demonstrations against the Gulf War of any European country.

Crisis in Eastern Europe and the Soviet Union

The crisis was even deeper in the Soviet Union and Eastern Europe by 1991. The November 1990 Polish elections showed serious disillusionment with the new "free market" policies of the post-Communist regime. The first round of the Polish Presidential elections gave a humiliating 18% of the vote to Mazowiecki, the candidate most identified with austerity, layoffs and privatization. Even Solidarity founder Lech Walesa, who promised to continue Mazowiecki's economic plan with a few unspecified "corrections," received only 40% of the vote. The biggest shock was that no less than 23% voted for the completely unknown eccentric emigré businessman, Stanislaw Tyminski, in an apparent protest vote against austerity.

Solidarity membership has plunged from 10 million in 1981 to less than 2 million today, and more recently the union and the political movement built around it has splintered. Walesa's camp drew to itself most of Poland's anti-Semitic vote, using subtle public appeals which stopped just short of open anti-Semitism. Walesa's willingness to stoke

the fires of a latent but deeply rooted anti-Semitism is a chilling harbinger of the future, and not only for Poland. The tragic irony here is that it was Walesa who in the early 1980s hit out against all forms of anti-Semitism, and who included Jews such as Adam Michnik among his close colleagues. Today he has fallen so low as to allow anti-Semitic attacks from the floor at his own campaign meetings to go unanswered.

In 1991, the national parliament stopped just short of banning abortion completely, a move demanded by the Catholic Church and supported by both Walesa and Mazowiecki. Severe restrictions have already been quietly enacted (Tilbury and Hockenos 1991). "So many women were in the underground, were part of the fight for freedom. And now it seems that freedom, that victory, is not for women," stated Jolanta Plakwicz of the newly formed Polish Feminist Alliance (Engelberg 1990).

Despite these grave contradictions within Solidarity, the Polish people are far from quiescent. Late in 1990, 70 of the country's 74 hard-coal mines went out on strike against austerity measures. Youth have demonstrated against the planned opening of Poland's first-ever nuclear power plant in Zarnow, a plant which has the same design as the one in Chernobyl. In the summer of 1990, a trash burning incinerator, an environmentally dangerous joint venture by Austrian and German capital, was built at a military base in Western Poland. But the day before it was to go into operation, 500 farmers from the area drove onto the base in their tractors, and completely destroyed the new incinerator (Wislanka 1990).

In the Soviet Union, actual famine loomed by the winter of 1990-91. For the first time since World War II, food rationing was proposed in Leningrad, with the following near-starvation quotas per person, per month: 3.3 pounds of meat, 1.1 pound of butter, 10 eggs (Shanker 1990). Every major ethnic and national group is demanding self-determination or even independence after seven decades of iron rule under what Lenin (1961) warned against on his deathbed: "Great-Russian chauvinism" (p. 606). He wrote that it was represented by the Stalin wing of the Party. It continues today in a different form. In January 1991, Gorbachev's liberal mask seemed to come off, as troops from the Interior Ministry attacked independence activists in Lithuania and Latvia, killing 19 people (Keller 1991). But instead of fear, the new attempt at a crackdown stirred outrage and mass demonstrations, not only in the Baltics, but in Moscow itself, where hundreds of thousands took to the streets against repression and for dismantling of the single party state on January 20. Similar massive rallies were held on February 24, March 10 and March 28, the latter in defiance of a ban on rallies

backed up by the presence of 50,00 troops and police with water cannons (Schemann 1991a; Clines 1991a; Schemann 1991b; 1991c).

By April a nationwide coal miners' strike begun a month earlier threatened to weaken the economy still further, a strike which had the political dimension of demanding Gorbachev's resignation as well as voicing grievances over conditions of life and labor. The new independent unions set up by the miners were modeled on Poland's Solidarity movement, and the deep nature of their grievances was expressed by one union leader, Viktor Filiminov, who stated: "Life forced us to be the 'vanguard.' We didn't choose it. Our strength is that we have nothing to lose anymore" (Schemann 1991d). Once a new economic austerity plan went into effect on April 2, more mass strikes and demonstrations of working people took place, especially in Minsk, a key industrial center, where it soon became a general strike (Clines 1991b). As the strikes grew, Gorbachev suddenly reversed course, patching up relations with liberal opposition politicians such as Boris Yeltsin, who had previously called for his resignation. Gorbachev seemed to agree to greater autonomy for the various republics, while the liberals agreed to ask the workers to end their strikes (Clines 1991c). Yeltsin's "solution," agreed to by Gorbachev, was for the government of his Russian republic to take over the mines and rapidly introduce "market" mechanisms (Schemann 1991e). Workers across the Soviet Union have formed a wide variety of independent unions, newspapers and strike committees. Intense debates are taking place over the future direction of the labor movement. Some of the workers' groups advocate a "market" economy while others stand for workers' control of economic institutions. All are disillusioned with the present system (*Moscow News* 1990; Keller 1990; Schodolski 1991).

A year after the overthrow of the old system, there is also a deep sense of crisis in Czechoslovakia and Romania. In Czechoslovakia, a large, nonviolent mass protest movement toppled the old system and brought the vastly popular Civic Forum to power in 1989. Yet by 1990, politics had turned so far to the right that the government backed the U.S. drive to war in the Middle East, as seen in Bush's November visit to Prague. Racist incidents against foreign workers and students are occurring with sickening regularity, often sparked by neo-fascist skinheads (Kamm 1990). I witnessed one such unprovoked attack on Vietnamese workers on a crowded Prague subway car in broad daylight in June 1990. A Czech political activist accompanying me and other passengers intervened to stop the racists. As to women's rights, there have also been some backward steps. There is pressure for women to go back into the home, the display of pornography virtually

everywhere is considered part of the new "freedom," and the Civic Forum refuses to take a position on abortion (Rosen 1990).

At the same time, however, small groups of youth and intellectuals are debating radical ideas—from Trotskyism to Anarchism to Marxist Humanism, as can be seen in *Polarita*, the newspaper of the newly formed group Left Alternative. In addition, a group of left intellectuals, including the prominent Marxist Humanist philosopher Karel Kosík, have in recent years formed the Obroda Club. Most of its members are former Communists who were involved in the 1968 Prague Spring experiment with a socialist humanist alternative. Expelled from the Party, fired from their jobs, and sometimes jailed after the 1968 Soviet invasion, they still hold to varying forms of socialist ideas today.

In Romania, the mass insurrection which toppled the murderous Ceausescu regime was hijacked by Ion Iliescu and his clique of former Party and Army officials. Their National Salvation front, to a great extent merely a renamed Communist Party, managed to win the May 1990 elections, but has faced student revolt and most recently, worker unrest. In the fall of 1990, dock workers went on strike for a week in Constanza, the main port, in order to gain the dismissal of their corrupt union leadership. Mass protests also continued against the regime's austerity measures, which include drastic price hikes for basic commodities, as part of the conversion to a "market economy" (Le Guern 1990).

The East European upheavals of 1989-90 have certainly created freedom of social and political expression and organization, necessary first steps toward a humanist future. Yet, overall, the labor, women's and youth movements have been placed very much on the defensive. Even though creative activities from the grassroots continued as 1991 began, new ruling elites were rapidly consolidating their power. There was also a very hostile ideological climate facing any who tried to discuss Marxist or even socialist ideas.

Some Marxist Theories of State Capitalism

Recently, the second generation Frankurt School member Jürgen Habermas has argued that the East European upheavals represent part of the unfinished project of modernization, opposing any notion of a "middle way" between Western capitalism and "state socialism." He rejects the socialist humanism of the young Marx as "romantic socialism" (1990, p. 15), and calls instead for something far less radical, "transforming socialist ideas into the radically reformist self-criticism" (1990, p. 21) of existing capitalist society. From a different standpoint,

world-system theorist Immanuel Wallerstein (1990) writes that the upheavals show a repudiation of the modernizing project of statist Communism, with its ideology of rapid industrialization at any cost. This project has reached an impasse today because "all developmentalist ideologies are becoming defunct." These ideologies based themselves on "the seizure of state power by a party claiming to incarnate the popular will, and using state power to 'develop' the country." Thus, to Wallerstein, the collapse of statist Communism means a rejection of Marxist-Leninism but not of Marxism, because Marxism "did not start out as an ideology of national development, and is not doomed to be understood only in this constrictive fashion." Instead of the death of Marxism, and of its project of human liberation, he writes: "Perhaps it is only now that we can invent utopian utopias" (p. 52). Thus, Wallerstein, unlike Habermas, sees a future for radically emancipatory strands of Marxism.

Ever since the 1940s, state capitalist theory, and later, Marxist Humanism, have attempted to work out such a radical break with Stalinist as well as social democratic orthodoxy, both of which were based on industrialization and modernization as keys to human emancipation, rather than on the de-alienation of labor and of human relations in a liberated society. Such radically emancipatory notions were dubbed "idealistc" and "utopian" by both varieties of socialist orthodoxy, as well as by traditional Trotskyism, which argues that societies such as the Soviet Union are deformed workers' states. State capitalist theories have argued that modern capitalism as a whole exhibits the characteristic of state intervention in the economy, a tendency taken to a fully developed form under a single party state as in the Soviet Union under Stalin or Nazi Germany. The disadvantage of state capitalist theories, their critics argue, is that they over-simplify the differences between market economies and state-run ones, minimizing crucial issues such as the existence of private property.

The advantages of state capitalist theories in analyzing the present situation are several: (1) They help explain the relative ease with which many of the former Communist bureaucrats have today welcomed the transition to a market economy. This helps clarify the role of both reform Communists such as Gorbachev's supporters as well as ex-Communists who have begun to thrive in Poland and elsewhere as private business opportunities have emerged. (2) State capitalist theories help us to cut through highly ideological rhetoric about "free markets." Did the monopolistic oil industry or that large U.S. bureaucracy, the Pentagon, really come under greater "free market" control in the 1980s (Melman 1991)? Was the West German economy, which exhibited an even greater degree of government planning, really

a free market society? (3) Finally, were the basic conditions of the working people inside the factory and other workplaces fundamentally different in the Soviet Union and similar societies from those in the West? Did not Marx's concept of alienated labor as developed in 1844 and elaborated in *Capital*, also have explanatory power even for societies where the economy was in the hands of the state? This last point helps to account for the persistence of labor and class struggles of three types: (1) the Polish Solidarity movement in the 1980s, directed against statist Communism; (2) the massive miners strikes in 1989 and 1991 in the Soviet Union, directed against Gorbachev's hybrid mixture of statist Communism and Western capitalism; (3)the new mass strikes and demonstrations against austerity and unemployment by working people in eastern Germany after unification.

An important early elaboration of the concept of state capitalism was that of the Frankfurt School's Frederick Pollock. Postone and Brick (1982) write that his 1941 article on state capitalism was the economic underpinning of the critical pessimism of the entire Frankfurt School, thus belying the notion that these theorists were concerned only with philosophy and culture. In brief, Pollock (1989) advanced the following propositions: (1) Nazi Germany, and to a lesser extent, Stalin's Russia, represented new, state capitalist forms of economy and society. (2) Planning replaced the market as the locus of economic activity. (3) The traditional "profit motive" was "superseded by the power motive" (1989, p. 101; Brick and Postone 1976). (4) Civil and labor rights are crushed by the state. (5) War and conquest are a fundamental characteristic of the system. (6) In its totalitarian form, such a system could, with relative success, overcome many of the class and economic contradictions of traditional capitalism. In this latter sense, his model is rather static. In the early 1940s, Pollock's concept of state capitalism was challenged by other Critical Theorists (Kellner 1989). But, as against Habermas' position, in this period most members of the Frankfurt School favored a radical transformation of all forms of capitalism and the establishment of mass-based revolutionary institutions of direct democracy such as workers' councils (Horkheimer 1978). Nearly two decades later, Herbert Marcuse published the only full length analysis by a Frankfurt School member of the Soviet Union. It was surprisingly uncritical, and did not use a concept of state capitalism (Marcuse 1958; Dunayevskaya 1961). Thus, the Critical Theorists never really developed Pollock's concept of state capitalism as a critique of Soviet type societies.

In 1941, the same year that Pollock published his analysis of state capitalism, the Caribbean Marxist C.L.R. James and the Russian-born

former Trotsky secretary Raya Dunayevskaya each wrote discussion articles on Stalin's Russia as a state capitalist society for the U.S. Workers Party, a Trotskyist group (Dunayevskaya 1981f). Since James wrote under the pseudonym J.R. Johnson and Dunayevskaya under the name Freddie Forest, the group that gathered around them soon gained the name Johnson-Forest Tendency, although they preferred to call it the State Capitalist Tendency. Where Pollock worked within the more academic setting of the Frankfurt School, James and Dunayevskaya involved themselves not only in theoretical issues, but also in labor activism and the Black struggle. Despite their non-academic backgrounds, however, James and especially Dunayevskaya actually elaborated a more detailed and economically grounded concept of state capitalism than did the Frankfurt School theorist Pollock (Anderson 1988).

As recorded in the *Raya Dunayevskaya Collection* (Dunayevskaya 1981f), besides their initial 1941 articles, Dunayevskaya wrote articles based on original Russian sources for the *The New International* on the economic structure of Soviet state capitalism, and also debated the pro-Soviet economists Paul Baran and Oskar Lange on state capitalism in the *American Economic Review* (Dunayevskaya 1944; Baran 1944; Lange 1945; Dunayevskaya 1945). In 1950, in collaboration with Dunayevskaya and Grace Lee(Boggs), by then another theoretician in the Johnson-Forest Tendency, James wrote *State Capitalism and World Revolution*, a lengthy pamphlet which has recently been reissued (James 1986). After the break-up of the Tendency in the 1950s, James moved more into cultural and Third World issues (Buhle 1989). Dunayevskaya, who had been the group's most prolific contributor on the issue of state capitalism in the 1940s (Beilharz 1987), continued to work on the issue of state capitalism, and included a lengthy discussion of the concept in her *Marxism and Freedom*, first published in 1958.

Among the key concepts of this theory of state capitalism, developed further in the 1950s by Dunayevskaya, were the following: (1) The Soviet Union, like Western capitalist economies, seeks after surplus value for capital accumulation. As in the West, it does so by paying the workers a minimum and extracting a maximum of unpaid labor. Thus, Marx's law of value continues to hold in the Soviet Union. This differs sharply from Pollock's concept of the "primacy of the political." (2) Alienated labor, not private property in the means of production, is the hallmark of capitalism. This is what Marx argued in his essay on "Alienated Labor" in the *1844 Manuscripts*, when he stated that private property was merely a surface manifestation of something deeper, alienated labor, which turned the worker into a

thing. That essay was translated and discussed as early as the 1940s by the Johnson-Forest Tendency. (3) State capitalism was even more centralized than monopoly capitalism, a point foreseen by Marx when he wrote in *Capital* of a tendency toward the whole economy being swallowed up by a single capitalist. Merely shifting from private to state property in the means of production would not uproot alienated labor. Nor, obviously, would a shift back to privatization. As Dunayevskaya (1988) wrote: "Communism continues to spend incredible time and energy and vigilance to imprison Marx within the bounds of the private property versus state property concept" (p. 63). So too do anti-Marxist "free market" ideologues. (4) Under state capitalism, competition did not disappear, but it took on, more than before, the form of war and conquest, the drive for single world domination. Military competition between states became extremely important in establishing the world market. (5) Dunayevskaya wrote in *Marxism and Freedom* that under state capitalism the fetishism of commodities, as described by Marx in the first chapter of *Capital*, had been replaced by the fetishism of the plan. The main aspect of commodity fetishism, the transformation of human relations in production and society as a whole into relations between things, continued under state capitalism. In fact, she noted, Marx's original concept of commodity fetishism had been rooted in production relations, not the market. (6) Where Pollock's model was static, this concept of state capitalism showed a tendency toward a heightening of the social and class contradictions already existing under traditional capitalism. State capitalism, despite its outward appearance of solidity and cohesion, was a highly unstable, explosive social system. As early as the 1958 edition of *Marxism and Freedom*, Dunayevskaya (1988) wrote that the 1953 uprising in East Germany and the Hungarian Revolution of 1956 represented "the beginning of the end of Russian totalitarianism" (p. 249). (7) State capitalism was a world stage of capitalist development, with the Soviet Union's single party state showing its most crystallized form politically. All capitalist societies had strong tendencies toward totalitarianism, however, unless challenged from below.

Since the early 1940s, several other theories of state capitalism have been elaborated. Among the best known are those of Tony Cliff and Charles Bettelheim. Cliff, a British Trotskyist, first published his theory of state capitalism in the late 1940s (Cliff 1988), despite a recent attempt by one of his co-thinkers to portray his theory as having been elaborated before that of the Johnson-Forest Tendency (Callinicos 1990). As against both Pollock's concept and that of the Johnson-Forest Tendency, Cliff's theory remains largely within traditional

Trotskyist conceptions. Still later, Bettelheim (1976), a French economist with Maoist leanings, developed a theory of Soviet state capitalism, again on more traditional Marxist premises, premises quite different from the more innovative ones of either the Johnson-Forest Tendency or the Frankfurt School. Aspects of the latter conceptions of state capitalism moved both Dunayevskaya and one Frankfurt School member, Erich Fromm, to elaborate concepts of Marxist Humanism from the late 1950s onward.

From State Capitalism to Marxist Humanism

After World War II, especially by the 1950s, radical thought faced new questions posed by nuclear weapons, the Nazi death camps, and Stalin's forced labor camps. These new issues appeared, not only within Marxist theory, but also from within existentialism, Third World liberation movements, and even Catholic theology: It was increasingly argued that the stress of 1930s radicalism on economic equality was insufficient, and that genuinely radical thought had to mean dignity and liberation for the human person. From very different vantage points, writers as diverse as Sartre (1988) and Dunayevskaya (1989) argued against the relativism and tolerance of liberal democracy, which had been unable to meet the challenge of fascism. As the writings of the young Marx, especially the *1844 Manuscripts*, began to be discussed in Western Europe and the U.S., Marx's humanism was posed as an alternative to Stalinist ideology. Marxist and radical philosophers became very interested in Hegelian thought, which achieved a sudden popularity, especially in France. Where some of the older Marxist thinkers such as Georg Lukács (1975) or Ernst Bloch (1962) embraced Hegel but avoided the issue of humanism, others connected Hegel to Marxist Humanism. Among the first to raise the issue of Marxist Humanism were East European dissident Marxists in the 1950s. To them, the writings of the young Marx offered a critique of their own actually existing totalitarian society. In the *1844 Manuscripts*, they noted, Marx (1) wrote that humanism, not communism, was the final goal of humanity; (2) attacked "vulgar" forms of communism, which "negated" the human personality; (3) wrote that the individual was the social entity. The 1958 edition of Dunayevskaya's *Marxism and Freedom* contained the first published English translation of a major part of Marx's *1844 Manuscripts*. Her analysis connected the humanism of the young Marx to what she termed the "humanism and dialectic of *Capital*, Vol. I, " as well as to the "new humanism" she saw in the stirrings of rank and file labor and the civil rights movement, and later on, the women's liberation movement.

One profound East European study was Kosík's *Dialectics of the Concrete*, published in Czech in 1963 (Anderson 1986). Where even the Hegelian Marxist Marcuse had written in his *Reason and Revolution* (1941) of the transition from Hegel to Marx as one from philosophy to social theory, Kosík (1976) hit out against "abolishing philosophy" within Marxism (p. 103). This abolition, this reduction of Marx's revolutionary humanist vision to a socio-economic theory alone "transforms" Marxism "into its very opposite," he wrote (p. 103). Praxis, human self-creation toward freedom, disappears, resulting in "a closeness: socialness is a cave in which man is walled in" (p. 103). Although the language is abstract, it is hard to miss the critique of statist Communism, which only two years earlier, had constructed the Berlin Wall. In 1968, these ideas figured prominently in the Prague Spring, in which both Kosík and another Marxist Humanist, Ivan Svitak (1970) were prominent activists. Svitak went into exile, and Kosík was imprisoned and then made into a non-person for two decades. Some of his work is beginning to reappear, however (Kosík 1991). Other important East European contributions included those by Kolakowski (1968) in Poland and Markovic (1965) in Yugoslavia. By the 1980s, however, traditional liberal as well as religious ideologies had increasingly come to dominate the opposition movements in Eastern Europe.

In the West, Erich Fromm's *Marx's Concept of Man* introduced the concept of Marxist Humanism and the writings of the young Marx to a wide audience, while also attacking "Soviet state capitalism" (1961, p. vii). The major collection which he edited, *Socialist Humanism* (1965), included essays by Dunayevskaya, Kosík, Markovic, Svitak and many others. In one of his last writings before his death, a preface to Dunayevskaya's *Philosophy and Revolution*, he made a penetrating critique of those who insisted on identifying Marx with Soviet type societies:

> Few thought systems have been as distorted and sometimes even turned into their opposite as that of Karl Marx. The great conservative economist Joseph Schumpeter once expressed this distortion with a hypothetical analogy: if one had discovered Europe at the time of the Inquisition, and had surmised from that that the Inquisition reflected the spirit of the Gospels, then one would have behaved as those who see the ideas of Marx expressed in Soviet Communism.. If this distortion were only to be found among opponents of Marxism, that would scarcely be surprising. The amazing thing is that it emanates from his "proponents," who convince the rest of the world that their ideology expresses the ideas of Marx (Fromm in Dunayevskaya 1989, p. xxi).

But the fullest elaboration of Marxist Humanism in the period since World War II lies in the work of Dunayevskaya, who raised several issues. (1) She saw the key to Hegel's dialectic not only in his concept of negativity, which Marcuse and others had stressed, but in her *Philosophy and Revolution* (1989), she re-concretized this concept for today as a reaching for absolute human liberation, in her concept of "absolute negativity as new beginning" (p. 3). Where others had seen the conclusion of Hegel's "system" as a closed totality, for Dunayevskaya (1989), at the apex of Hegel's system, "the self-movement is ceaseless" (p. 42). Her very next sentence in her discussion of Hegel reads:

> The revolt that erupted in East Germany in 1953 and came to a climax in 1956 in the Hungarian Revolution was articulated also in new points of departure in theory...It was as if Hegel's Absolute Method as a simultaneously subjective-objective mediation had taken on flesh (p. 42).

In this sense, the critique of Hegel's conclusions, his "absolutes," is connected intimately to the drive for human liberation in Eastern Europe. There is an intricate parallel at work here: On the one hand, Hegel's system is not a closed totality, but an open road offering a philosophy of ceaseless self-movement of ideas and history. On the other hand, Soviet and East European Communism, oppressive totalitarian systems that they were, had not created a sustained and successful new form of domination, but rather constituted a highly unstable, explosive social system which was wracked with internal contradictions.

(2) Marx's humanism was the ground for the creation of a contemporary form of Marxism, Marxist Humanism. Humanist concepts were traced not only to the writings of the young Marx, but as against Althusser (1969) and others, it was argued that Marx's humanism continued not only in *Capital*, but even in his important and little known last writings, the *Ethnological Notebooks* (Marx 1974) There, argued Dunayevskaya, Marx had written profoundly on issues of gender and power, and returned to the radicalism of his writings of the 1840s, where the condition of woman in society was seen as a measure of that society's development as a whole (Dunayevskaya 1991). (3)State capitalism continued as part of the socio-economic theory underlying

Marxist Humanism, but in Dunayevskaya's writings after the break-up of the Johnson-Forest Tendency, the concept of state capitalism was increasingly linked to a critique of Stalinist ideology, especially their use of Marx. In addition, as a dialectical concept state capitalism was now paired with its "negation": with new forms of workers revolt (Dunayevskaya 1988) or with the East European revolts as a whole (Dunayevskaya 1989).

Conclusion

The 1989-90 upheavals have resulted mainly in the victory of forces which advocate a turn toward the Western type market economy., Yet, as I have shown, strong leftist currents persist, especially in the former East Germany. While a radical anti-capitalist transformation such as that posed in 1968 by Czechoslovakia's concept of a "socialism with a human face" is hardly on the agenda today, once the masses have experienced the reality of Western-style capitalism, things may turn once again in a more leftist direction. There are already some signs of this in the spring 1991 protests in eastern Germany.

At a theoretical level, Marxism has been frequently described as having been discredited by the collapse of Communism and the rise of free market ideologies. I have argued that this is not true of Marxist theories of state capitalism, first developed over half a century ago. These theories not only critiqued Soviet type Communism as totalitarian state capitalism in which the workers had no power, but also pointed to mass revolts from inside the system, especially by workers. In addition, state capitalist theories can help us to account for the relatively smooth transition from Party bureaucrat to industrial manager in the post-Communist social system, a changeover that has been made by many in the Soviet and East European elites. While state capitalist theories describe the social structure of statist Communism, Marxist Humanism offers a theoretical grounding for a radically emancipatory praxis. Where more orthodox forms of Marxism have located the impetus for human emancipation in modernization and "objective" changes in the productive forces, Marxist Humanists have stressed the subjective side of historical development, rooting themselves in Hegelian dialectics and Marx's concept of praxis.

For those who, like Wallerstein and other radical Marxists and humanists, not only reject the notion that Marxism is "dead," but who are also skeptical of the pragmatist modernism of theorists such as Habermas, the concepts of state capitalism and Marxist Humanism may offer a vantage point for the needed rethinking of radical social

theory in the wake of the upheavals of 1989-90. While it would be naive to assume that a radical humanist transformation is on the agenda today in Germany, Eastern Europe, or the Soviet Union, it would be equally wrong to overlook the deep, liberatory, mass-democratic nature of the recent upheavals. Their labor dimension, their mass self-activity, and their creative grassroots democratic forms of organization and action show a yearning for forms of life and labor which go beyond existing political and social structures.

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