**WHAT CAN MARX TEACH US ABOUT THE RESTORATION OF CAPITALISM?**

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Hindsight wisdom is cheap, and crying over spilled milk is useless. Yet most of what we do in social sciences is retrospective, and we mask our futile lamentations under the pretension of social criticism. The present contribution, being about an epochal regression, will seek to avoid the social science melodrama. Situating our reflection upon the conceptual level, we will examine the restoration of capitalism in social formations with a socialist project in the Marxian and Marxist terms: not so much to test their theoretical capacity at historical analysis as to show what we[[1]](#footnote-1) could have done, but did not do, when there was still time to intervene.

More precisely, I will try to extricate the locus where, in the socialist past, we missed to connect our eventual theoretical insights to our political commitments. Accordingly, the title should be understood: “What we should have learned from Marx and have failed to take into account in our practice.” With the understanding that a *problématique* not articulated to practice is a lesson poorly learned.

**Conceptual apparatus**

One of the prejudices we entertained in socialism was that history is irreversible and can only move forward.[[2]](#footnote-2) In really existing societies, we failed to appreciate the full extent of their inherent contradictions. We did not conceive them as *social formations* incessantly in trouble to reproduce themselves. Marx first abstractly presented the concept of social formation in the “Introduction” to *Grundrisse.* Its key component is the mechanism of *structural causation*. As later developed by Althusser and his disciples, the idea of structural causation distinguishes different social “instances” that entertain among them hierarchically ordered causal relations, eventually capable of retroactive impact. Concretely, a certain type of production over-determines the reproduction of a given society.[[3]](#footnote-3) This production-*determinant* designates a social instance that operates as structural *dominant*.[[4]](#footnote-4) The structural dominant secures the reproduction of social formation as a whole: it negotiates the contradictions arising among the various modes of production operating within the social formation, as well as their own internal contradictions.

The distinction between a determinant and a dominant instance in a social formation suggests that we should distinguish between contradictions emerging within the dominant instance and those operating within the determinant instance.[[5]](#footnote-5)

**Post-capitalist social formations**

Was there a determinant mode of production in the “socialist” social formation? Was it the socialist mode of production? There certainly was no capitalist mode of production: money, labour power and natural resources[[6]](#footnote-6) were not commodities. The revolutionary operation of “expropriation of expropriators”, i.e. the abolition of the private property over the means of production – or, from another perspective, the abolition of the commodity-status of the land, labour power and money, was performed by the revolutionary state, i.e. by the revolutionary politico-juridical apparatus. Having abolished the market of production factors, the state assumed the coordination of economic activities by plan. In social terms, this meant that the leading groups of the party-state bureaucracy were designing the plan and taking the most important socio-economic decisions. The specifically *socialist* post-revolutionary process was evolving under the *political* structural dominant. The concrete historical realisation of the political structural dominant was the domination of the party-state bureaucracy.

We are stumbling upon a paradox: the specifically *socialist* process in the post-revolutionary society, the political structural dominant that determined post-revolutionary social processes, economic planning in the first place, was monopolised by the state-party bureaucracy, i.e., by an *anti-socialist* social agent. This was certainly the structural warrant, which gave the party-state bureaucracy the justification to present itself as the “representative” of the working class in general (and eventually to repress any manifestation of the working class in particular). However, bureaucratic domination was also the main obstacle against the introduction of a specifically socialist mode of production.

The structurally obstructive character of bureaucracy originated in the fact that the mechanisms of reproduction of bureaucratic domination did not coincide with the mechanisms of reproduction of socialist processes. Even worse, those mechanisms were not congruent with the reproduction of any mode of production in general. Consequently, bureaucracy that emerged after socialist revolution was not a class; they were only a dominating social group.[[7]](#footnote-7)

In Marx’s theory of class domination, reproduction of the ruling class *as class* coincides with the reproduction of the relations of production of the dominant mode of production.[[8]](#footnote-8) As Marx showed in *Capital III*, endeavours of individual capitalists and their managers to maximise profit end up at forming the general profit rate, the “material existence” of the capitalist class class-composition.[[9]](#footnote-9) Individual motives and intentions of the *Träger* of the capital social relation, are informed by the laws of the *Verwertung des Werts*, acting upon them as “external constraint”.[[10]](#footnote-10)

As state-party bureaucracy was not a ruling class in Marxian sense,[[11]](#footnote-11) two questions arise: How could bureaucracy maintain its dominating position at all? What were the general effects of the bureaucratic domination upon the society as a whole?

**Mechanisms of bureaucratic rule and their effects**

Bureaucracy reproduced its domination by maintaining the political sphere (which was necessarily the dominating instance during the revolutionary destruction of the pre-revolutionary social relations) as a separate and relatively autonomous social sphere in the *bourgeois* sense. Maintaining the separate and relatively autonomous political sphere equalled to the conservation of the bureaucratic political monopoly. Hence incessant political campaigns, frequent reorganisations and occasional purges that typically never mobilised the masses: their function was “internal” – they were strengthening bureaucratic hierarchy, revitalising its operations and renewing its separation from larger masses of society.

Bureaucratic monopolisation-separation of the political sphere generated a mechanistic and linearist ideology.[[12]](#footnote-12) One of its effects was the “developmentalist” view of historical transformation. When in the early thirties, Stalin’s clique imposed forced collectivisation, this decision entailed two presuppositions: that the development of agriculture should be calqued upon that of industry (the historically “more developed” mode of production); and that the model of industrial development should be the really existing capitalist industry (the historically “most advanced” mode of capitalist industrial production). In the developmentalist view, technology is perceived as the carrier of progress, but otherwise “neutral” as to the immediate social relations it introduces. The larger social effect of Stalin’s collectivisation was twofold: it destroyed the peasant-workers’ alliance and thus deprived soviet society of its revolutionary foundation;[[13]](#footnote-13) it destroyed revolutionary class-composition of industrial proletariat and reduced it to the technical composition of a “Fordist” labour power. By destroying the revolutionary peasant-workers’ alliance and the revolutionary potential of industrial proletariat, Stalinist politics achieved the subordination of the working masses and opened social space for bureaucratic domination. It also created a completely new historical situation: a bureaucratic rule in the absence of the ruling class[[14]](#footnote-14) this bureaucracy was pretending to represent. In the past, there always existed ruling classes that controlled and directed their state bureaucracies. In this sense, past bureaucracies were specialised groups that exercised certain tasks of the class-rule.

This politics in itself did not suffice to secure post-revolutionary bureaucracy’s domination: intensive ideological operations and occasional violent repression were necessary components of the post-revolutionary bureaucratic domination all along its existence. However, it sufficed for repression and ideological operations to achieve general apathy and passivity in order to maintain the separation of the “autonomous” political sphere (on the bourgeois model) and the bureaucratic monopoly within it. After the mid-nineteen sixties and the economic reforms in the socialist block, *consumerism* provided an even more secure foundation for the reproduction of bureaucratic domination. “Integration through consumption” (as it was called with the reference to the presumed “Fordist class compromise” in the core countries of the capitalist system) introduced *capitalist* processes into post-revolutionary social formations.[[15]](#footnote-15)

**Post-capitalist, not socialist**

In the retrospect, it seems that the post-revolutionary societies-with-socialist-project were social formations without a stabilised mode of production, which would secure their structural totalisation and historical reproduction, and that they were held together by a political structural dominant. The political force positioned upon the locus of the structural dominant was, by the logic of its reproduction, opposed to the ideologically declared general socio-political project. In the absence of a determining mode of production, contradictory and at times antagonistic processes were competing to prevail and to become the determining social instance. Post-revolutionary societies were neither capitalist nor socialist formations. It would consequently be suitable prudently to call them post-capitalist social formations.[[16]](#footnote-16)

**Historical itinerary of post-capitalist Yugoslavia**

With the introduction of self-management in Yugoslavia,[[17]](#footnote-17) another socialist process complemented the socialist process of planning: the self-management of the workers’ collectives. Self-management was limited to individual working collectives. Consequently, its larger politico-economic dimension assumed the form of the market, upon which self-managed firms competed for profit. The over-all result was that planning, the socialist process on the macro level of political economy, took the form of bureaucratic domination, while socialist process on the micro level resulted in an incipient market of consumer goods.

***1951-1965***

The main social contradiction during the period that combined administrative planning and self-management in working collectives[[18]](#footnote-18) was that between bureaucratic domination on one side and, on the other, council democracy constrained within the limits of individual working collectives. However, as the council democracy had no political channels to struggle for its expansion, the main contradiction took a *refracted*[[19]](#footnote-19) political form. Instead of the workers’ collectives, the political agents that affirmed themselves against political bureaucracy were the top management (then called the “technocrats”) in the collectives and their “liberal” allies within the political apparatus. Their ideological-political stance was generated by the incipient market processes, which pressed workers’ collectives to operate as individual capitalist firms. Consequently, the main *social* contradiction “self-management in workers’ collectives / the over-all rule of political bureaucracy” refracted itself in its *political* form as the conflict between bureaucratic domination on one side and, on the other, the “techno-liberal” proponents of incipient capitalist processes. According to the bureaucratic logic, the political conflict remained confined to the high levels of the political state apparatus and transpired to the public scene only partially and in a deformed way.[[20]](#footnote-20)

As in other post-capitalist formations, the political instance operated as the structural *dominant* in the period of Yugoslav administrative self-managed socialism. Consequently, the contradiction between political bureaucracy and the pro-market “liberal technocracy” was the *dominant* contradiction in that period.[[21]](#footnote-21)

However, the dominant political contradiction between two *anti-socialist* political logics operated within the frame set by a *socialist* structural *determinant* in the social formation as a whole: social property of the means of production. As long as social property remained in the position of the determining relation of production, socialist dynamics was possible in Yugoslav social formation. The relation of social property made possible self-management in working collectives, and social management in the sphere of “social activities” (in socialist terminology; we now call them “public services”): health, education, pensions, social care). It blocked statist management and in this way severely limited bureaucratic domination. Bureaucratic domination could only be exercised as a political intervention from the outside of the self-management / social management system. Besides, bureaucratic domination was limited by the impossibility for the bureaucracy to establish itself into a ruling class, actually by the impossibility to establish itself into a class at all.

The *determining* contradiction in the social formation between statist administrative regulation and self-management in individual working collectives developed within the socialist frame; it was consequently offering structural resistance against capitalist pressures coming from the capitalist-systemic international environment and the spontaneous tendency of self-managed working collectives to act as individual capitals.

In the *ideological* sphere, however, the dominant contradiction was that between socialist-communist ideology and various bourgeois ideologies.[[22]](#footnote-22) Bourgeois ideologies were so strong that, together with the managerial “technocrats”, they succeeded in the mid-nineteen sixties to convince the leading Yugoslav political bureaucracies that there was an economic crisis and that the right solution to it was to introduce market socialism.[[23]](#footnote-23)

***1966-1971***

Market socialism shifted the dominant contradiction from the political sphere to the economic sphere. The political contradiction between bureaucracy and “technocracy” became secondary. The contradiction “capitalist processes / socialist processes” became simultaneously the dominant contradiction in the economic sphere and the determinant contradiction in the social formation as a whole (where it replaced the previously determining contradiction “administrative regulation / self-management”). In this way, the *dominant* contradiction in the economic sphere coincided with the *determinant* contradiction in the social formation. Together with the deepening of the typically bourgeois separation of economic sphere and the juridico-political sphere, this coincidence of dominant with the determinant enormously strengthened capitalist processes in Yugoslav social formation.[[24]](#footnote-24)

Market socialism was a hybrid system, unsuccessful both by socialist and by capitalist standards. Yugoslav political bureaucracy first responded by “legal fetishism”,[[25]](#footnote-25) attempting to substitute contractual relations among self-managed subjects to the market relations. The contractual system only translated market-generated inequalities and monopolies into the idiom of “self-managed agreements”,[[26]](#footnote-26) and was consequently unable to prevent hierarchical fragmentation of Yugoslav economic space along the South/North divide, and political dissolution into the fiefs of national political and ideological bureaucracies. In particular, the contractual system could not support any federal planning of economy and of social development.

**Piedmontese function of federal republics**

Under the impact of the institutions of global capital[[27]](#footnote-27) that pressed for the restoration of capitalism, national political bureaucracies, supported by the top managerial “technocracy”, resorted to the apparatus they have been controlling from the very beginning of Yugoslav socialism: the state. The “restoration coalition” comprised the dominating groups that had composed themselves over the past decades: the political bureaucracy, the top managerial “technocracy”, the bureaucracies of the ideological apparatuses (“cultural” bureaucracy).[[28]](#footnote-28)

However, the restoration coalition could not directly compose itself into the new ruling class, into the capitalist class. The decisive agent who secured the primary condition of restoration, i.e. the liquidation of social property, was the political bureaucracy, since it controlled the state apparatus. Political bureaucracies, now already fragmented along the lines of federal republics, in their last common act re-articulated Yugoslav socialist constitutional system into a conglomerate of bourgeois nation-states (constitutional amendments of 1988), and let the states perform the *function of Piedmont*.[[29]](#footnote-29) In the absence of national bourgeoisies, former socialist republics, re-articulated by national bureaucracies into bourgeois nation-states, carried out the restoration of capitalism by state constraint.[[30]](#footnote-30) The bourgeois states’ first act in this direction was the abolishment of social ownership, its transposition into state property – soon surrendered to denationalisations and privatisations.

A militant nationalist ideology, whose fabrication national political bureaucracies entrusted to the ideological (“cultural”) bureaucracies, was the mobilising ideology and the political support for the decisive operation of the capitalist restoration – the establishment of bourgeois nation-states. In this way, nationalist radicalism is an integral and active element in the restoration of capitalism in post-capitalist formations. It is the interpellation-mechanism that provides support to the bourgeois nation-state while it proceeds to destroy socialism and to institute peripheral capitalism.

**Identity community and the new dependent state**

What the media and most commentators nowadays call “nationalisms”, and usually specify as “populist”, borrow many ideological elements from the nationalisms of the past, whose legacy they claim. They further resemble nationalisms of the 19th century in their declared anti-imperialist stance, recognising, e.g., such an imperialist power in the European Union.[[31]](#footnote-31) Like traditional nationalisms, they aim, and often succeed, at creating mass movements. However, contrary to the liberal nationalisms of the 19th century, and in even starker opposition to the anti-colonial nationalisms of the 20th century, mostly inspired by socialism, contemporary “nationalisms” impose an authoritarian discipline upon their followers and upon the whole society if they come to power. Moreover, their invented traditions are very often revisionist, seeking to rehabilitate home fascism and collaboration of the past. Strikingly, they are most often “collaborationist” in the present: in contrast to their big talk about national sovereignty, they join (or intend to join) the NATO and/or the EU (notwithstanding their eventual anti-EU rhetoric). They sell their national riches to speculative funds and to foreign states; they finance transnational capital so that it can better exploit their population; they hand over their people to brutal exploitation in the core capitalist countries.

Ideological elements are mostly old, but their collage is new, and the operations of the present nation state differ from its functioning in the anti-imperial struggles of the 19th century and the anti-colonial efforts of the 20th century. We may surmise that also the carrier of the dominant ideology and the ruling group in the nation state are new and specific.

It seems that the situation arises from two kinds of processes, one kind running from above and the other from below, both fitting into the general tendency of contemporary capitalism to reproduce itself by fragmenting societies.

The new ruling groups are uneasy conglomerates of comprador bourgeoisies *in spe* and *de facto* comprador bureaucracies. EU is pushing towards bureaucratic composition, while weak bourgeoisies may still nurture dreams of national domination, and hence of traditional nation state and (eventually) of national economy. With the exception of Russia,[[32]](#footnote-32) the ceiling of restoration ruling groups is comprador bourgeoisie (in the rare cases they are able to organise a local dependent economy) and (in all other cases) comprador bureaucracy, an extension of the metropolitan state management or of the EU bureaucracy. When pushing over the ceiling of their real historical potential, they resort to authoritarian rule – which may be equally necessary in order to secure any substantial capital accumulation.

Being a dependent class managing a dependent society, comprador bureaucracies-bourgeoisies need ideologically to legitimise and reproduce their governing position. The identity ideology presents them as necessary at securing the “recognition”[[33]](#footnote-33) of dependent states by hierarchically superior instances (the “international community”, the EU etc.), and provides them with an instrument to control and discipline their population.

A spontaneous “bottom-up” process supplements this “top-down” mechanism. Households with precarious and heterogeneous resources need to exert strict control over their members, and to discipline them into solidary assembling the means of survival. They help themselves with the available mechanisms: patriarchal domination, religious constraint, ethnic discipline. The combination of these “traditional” means of coercion yields “identity”.

The combined operations of the identity politics from the top down and from the bottom up yield the identity communities that are in the process of replacing the nations of yore.

**The leftist analysis of the time and its shortcomings**

We developed our theoretical analysis (starting in the late nineteen sixties and culminating during the nineteen eighties when it allied with the alternative rock culture and the alternative social movements) on the background of the standard school-Marxism (basically of the Komintern type), and against the humanist Marxism of the *Praxis*[[34]](#footnote-34) school and the academic Heideggerianism. Our conceptual tools were taken from the contemporary French structuralism (Lévi-Strauss, Benveniste, Barthes and later Greimas) and from the classical Soviet tradition (formalism, Jakobson, Bakhtin). Together with Freudian “mechanisms of the unconscious” (in more or less Lacanian interpretation), this conceptual apparatus was quite efficacious in ideological analysis of contemporary phenomena in Yugoslavia. Althusserian *problématique* then provided the necessary tools to articulate immanent ideological analysis to the wider complex of social contradictions, conceived in Maoist terms.[[35]](#footnote-35)

Our reasoning of those times can be summarised as follows.

We first noticed that the ideology of the dominants (of the political bureaucracy) was different from the dominant ideology (socialist self-management). The ideology of the dominants was a rigid institutionalism fetishising hierarchy and discipline (“democratic centralism”), reinforced by confidential intimations about internal-external threats to the system, a conglomerate we identified generally as “Stalinism”. The apprehension of the difference between the ideology of the dominants and the dominant ideology was contradicting the *locus* *classicus* of *The German Ideology*.[[36]](#footnote-36) Consequently, it deserved special attention in the light of Mao’s suggestion:

“It is appropriate to consider every difference in our concepts as a reflection of objective contradictions. The reflection of objective contradictions in subjective thought informs the contradictory movement of concepts […].”

If ideological contradiction was a reflection of an objective contradiction, then the objective contradiction refracted in the perceived ideological incongruence was the contradiction between reproduction of the dominating group and the reproduction of socialist self-management processes. In our own way, we came to the right conclusion that political bureaucracy was an anti-socialist dominating group, albeit not a class, as its reproduction mechanisms worked in contradiction against socialist processes. Political conclusion immediately followed: the development of socialist self-management and of socialist society entailed the struggle against bureaucracy.

From the ample Yugoslav empirical sociological research, we learned that self-managed working collectives, producing for the market, spontaneously acted in the view of profit maximizing. There was then a second contradiction between self-management in working collectives and the profit maximizing in economy, or, in general terms, the contradiction opposing socialist processes against capitalist processes.

The problem field was further complicated by a third set of contradictions supported by the nationalist character of the national cultural institutions.[[37]](#footnote-37) Ideological state apparatuses of the *socialist* state were *bourgeois* by their institutional design, their practices, ideologies and their practical effects. That was in itself a flagrant contradiction and a practical problem that was continuously causing conflicts with avant-garde artistic preoccupations and alternative cultural practices. The national-bourgeois character of ideological apparatuses engendered a wide array of contradictions:

* contradictions between the bureaucracy of ideological apparatuses (“cultural bureaucracy”) and social management in cultural institutions;
* contradictions between bourgeois cultural practices and avant-garde practices; this contradiction posed a further question as to the nature of artistic avant-gardes: Were they bourgeois and was then their contradiction with the dominant cultural ideology an internal contradiction within bourgeois ideology?

However, one conclusion seemed to be certain: reproduction of ideological bureaucracy was in contradiction with thereproduction of socialist social relations.

To sum up, we distributed our problem field in the following way:

* reproduction of political bureaucracy and reproduction of ideological (cultural) bureaucracy contradicted the reproduction and the development of socialist processes;
* there was a contradiction between bourgeois ideological practices in the state ideological apparatuses on one side and, on the other side, the avant-garde cultural practices (of unclear class character) and non-bourgeois alternative mass-cultural, ideological and theoretical practices;
* in general, there was an over-all contradiction between capitalist processes and socialist processes.

In the light of Mao’s principles of materialist dialectics:

“If a process comprises several contradictions, there is necessarily one which is the principal one and which plays the directing, determining role, while the others only occupy a secondary, subordinated position.”

“Of the two contradictory aspects, one is necessarily principal, the other secondary. […] antagonism is one of the forms of the struggle of contraries and not the only form.”

* the problems to be elaborated were then: Which is the principal contradiction? Which are the principal aspects? Is there any antagonism?

In our estimate, the *principal aspects* were the socialist termsin contradictions. Therefore, the *principal contradiction*was „political bureaucracy vs. socialist processes“. Bourgeois ideological apparatuses and their practices were a direct effect of the bureaucratic rule. Capitalist processes, on their side, were an indirect effect of the bureaucratic rule (that was containing self-management within the workers’ collectives only and restraining other socialist practices). – And *antagonisms* between socialist processes and capitalist processes seemed curtailed by the general socialist project and the general socio-political consensus around the socialist project.

Symptomatically, we neglected the top managerial groups (supporters of the capitalist processes) and their great influence within political bureaucracy. We were equally underestimating the political power of the liberal fraction within ideological apparatuses, esp. the liberal mandarin establishment in the economic and social sciences academia, open supporters of capitalist processes.

Consequently, we were theoretically unprepared and practically powerless when, during the nineteen eighties, the capitalist terms in the contradictions amalgamated and became their principal aspects, antagonistically contradicting the subordinated socialist aspects. It was then only a question of time that the joint forces of reaction – political bureaucracy, managerial technocracy, cultural bureaucracy, supported by ideological apparatuses (schools, media, churches that organised massive popular support) performed a top-down counter-revolutionary *coup* and, in fire and blood, destroyed socialist federation.

1. When writing “we”, I have in mind the alternative movements and theory in Yugoslavia. [↑](#footnote-ref-1)
2. Besides the alternative movements-theory and socialist political practices, there existed in Yugoslavia, as in other post-capitalist countries, ideological positions that regarded socialism as an aberration and a pathological digression of history. At that time, we believed that these ideologies belonged to the past and were irrelevant to the contemporary ideological debates and political conflicts. We failed to take seriously Franz Boas’s insight that there are structural reasons for anthropological vestiges to have survived. [↑](#footnote-ref-2)
3. Karl Marx, “Introduction” to *Grundrisse …*, “The Method of Political Economy”: “In all forms of society there is one specific kind of production which predominates over the rest, whose relations thus assign rank and influence to the others. It is a general illumination which bathes all the other colours and modifies their particularity. It is a particular ether which determines the specific gravity of every being which has materialized within it.” [https://www.marxists.org/archive/marx/works/1857/grundrisse/ch01.htm#loc3](#loc3) (27. 6. 2018). [↑](#footnote-ref-3)
4. Karl Marx, Capital, Vol. 1, Ch. 1, “The Fetishism of Commodities and the Secret Thereof”: “This much, however, is clear, that the middle ages could not live on Catholicism, nor the ancient world on politics. On the contrary, it is the mode in which they gained a livelihood that explains why here politics, and there Catholicism, played the chief part [*die Hauptrolle spielte*].” – Or in a more complex Althusser’s formulation: “Overdetermination designates the following essential quality of contradiction: the reflection in contradiction itself of its conditions of existence, that is, of its situation in the structure in dominance of the complex whole. This is not a univocal ‘situation’. It is not just its situation ‘in principle’ (the one it occupies in the hierarchy of instances in relation to the determinant instance: in society, the economy) nor just its situation ‘in fact’ (whether, in the phase under consideration, it is dominant or subordinate) but the relation of this situation in fact to this situation in principle, that is, the very relation which makes of this situation in fact a ‘variation’ of the – ‘invariant’ – structure, [with] dominance, of the totality. Louis Althusser, “Sur la dialectique matérialiste », *Pour Marx*, Maspero, Paris, 1965; translation into English: <https://www.marxists.org/reference/archive/althusser/1965/index.htm> (27. 6. 2018). [↑](#footnote-ref-4)
5. The concept of contradiction as we practice it here is inspired by Maurice Godelier’s distinction between “internal contradiction of a structure” and the “basic contradiction” of a mode of production (Maurice Godelier, System, Structure and Contradiction in “The Capital”, *Socialist Register*, Vol. 4, 1967; first published in *Les Temps modernes*, no. 246, November 1966). The internal contradiction is immanent to the structure and emerges together with the historical appearance of a particular structure: e.g., the contradiction between the working class and the capitalist class is specificto the capitalist mode of production. On the other hand, the basic contradiction appears only at a certain stage of historical development of a mode of production, and determines the limits of the possibility of its existence. It is the contradiction not *within* a structure (as the internal contradiction), but *between* structures, e.g., in the capitalist mode, between the progressively socialised structure of productive forces and the structure of relations of production, determined by the private ownership of the means of production. – Of the contradictions discussed in the present text, only the contradiction between socialist processes and capitalist processes would be the “basic contradiction” in Godelier’s terms. While other contradictions would be “internal”, they differ from each other by the structural locus of their efficacy – some operate on the level of the dominant, the others on the level of the determinant. In Godelier’s conceptual apparatus, “internal” contradiction is constructive of the structure, and “basic” contradiction destroys it. In our problematics, the collusion of a dominant “internal” contradiction with the determinant “internal” contradiction produces a “basic” contradiction and transforms or abolishes the structure. (To simplify our treatment, we will later resort to Mao’s schematic elaboration of the category of “contradiction”.) Our conceptual scheme situates the problem of the transition from one social formation to the other well within the structure of the social formation, and does not theoretically overburden the notion of the “development of productive forces”. In other words, we do not believe that the project of socialism should be suspended until a utopian “stage of development” of the productive forces is achieved. Quite the opposite: it now seems that socialism is a prerequisite to the *décroissance* needed to save the planet. [↑](#footnote-ref-5)
6. Adam Smith’s factors of production (cf. *The Wealth of Nations*, I, Penguin, London etc., 1999, pp. 150 ss.) or Karl Polanyi's »fictitious commodities«: money, labour and land. Cf. Karl Polany, *The Great Transformation*. The Political and Economic Origins of Our Time, Beacon Press, Boston, 2001. [↑](#footnote-ref-6)
7. “The fact that the consistent defence of the private interests of the bureaucrats collides with the immanent logic of the socialized planned economy, instead of being congruent with it, is the clearest proof that the bureaucracy is not a new ruling class.” (Ernest Mandel, “Ten Theses on the Social and Economic Laws Governing the Society Transitional Between Capitalism and Socialism”, 1973; <https://www.ernestmandel.org/en/works/txt/1973/ten_theses.htm> [26. 6. 2018].) [↑](#footnote-ref-7)
8. “In every class society there is a congruence between the private interests of the ruling class and the immanent logic of the given mode of production.” (Ernest Mandel, “Ten Theses on the Social and Economic Laws Governing the Society Transitional Between Capitalism and Socialism”, 1973; <https://www.ernestmandel.org/en/works/txt/1973/ten_theses.htm> [26. 6. 2018].) [↑](#footnote-ref-8)
9. “So far as profits are concerned, the various capitalists are just so many stockholders in a stock company in which the shares of profit are uniformly divided per 100, so that profits differ in the case of the individual capitalists only on accordance with the amount of capital invested by each in the aggregate enterprise, i.e., according to his investment in social production as a whole, according to the number of his shares.” Karl Marx, *Capital*, Vol. 3, Ch. 9, “Formation of General Rate of Profit”. – “Here, then, we have the mathematically exact demonstration, how it is that the capitalists form a veritable freemason society arrayed against the whole working class, however much they may treat each other as false brothers in the competition among themselves.” Karl Marx, *Capital*, Vol. 3, Ch. 10, “Equalisation of General Rate of Profit”. [↑](#footnote-ref-9)
10. “Free competition brings out the *inherent laws of capitalist production, in the shape of external coercive laws* having power overevery individual capitalist.” (Karl Marx, *Capital*, Vol. 1., Ch. 10, Section 5, “The Struggle for a Normal Working-Day”. It sounds better in German: “Die freie *Konkurrenz macht* die *immanenten Gesetze der kapitalistischen Produktion* dem einzelnen Kapitalisten gegenüber *als äußerliches Zwangsgesetz* geltend.” [↑](#footnote-ref-10)
11. Gérard Duménil and Dominique Lévi (*Managerial Capitalism. Ownership, Management and the Coming New Mode of Production*, Pluto Press, London, 2018) consider that party-state bureaucracy in historical socialisms was a fraction of the managerial class, the other fraction having been top management in individual production-units. They justify their position by a reference to Darko Suvin (“On class relationships in Yugoslavia 1945 – 1974, with a hypothesis about the ruling class”, *Journal of Contemporary Central and Eastern Europe*, Vol. 20, No. 1). Suvin reasons in this way: if there existed an exploited class (working masses) and „class“ is a relational concept, then there must have been an exploiting class, and that was bureaucracy. Suvin does not take into account the dimension of reproduction: reproduction mechanisms of managers as a social group were different from the political bureaucracy's ones. In Yugoslav market socialism, managerial group's reproduction-mechanisms were the same as the mechanisms of reproduction of capitalist processes within the Yugoslav post-capitalist social formation. The political bureaucracy's reproduction-mechanisms were historically specific and generally the same in Yugoslavia as in other post-capitalist formations. The most drastic features of bureaucratic domination – struggles among political fractions, purges, draconic treatment of presumed political opponents, ideological paranoia and latent chronic conflict with bureaucracies in ideological apparatuses, “cult of personality” – can be explained only if considered as specific reproduction-mechanisms of a particular and historically new dominating group. [↑](#footnote-ref-11)
12. This “Lukácsian” proposition needs further argumentation: linearism proceeded from the avant-gardist self-justification of the party-state bureaucracy: they affirmed themselves to be the vanguard of the proletariat; mechanicism originated in the bureaucracy’s self-isolation into the political sphere: they observed economic processes from the outside. [↑](#footnote-ref-12)
13. “The break in the worker-peasant alliance that [the] choice [of rapid industrialisation and collectivisation] implied lay behind the abandonment of revolutionary democracy and the autocratic turn.” (Samir Amin, “Contemporary Imperialism”, [Monthly](https://monthlyreview.org/) *Review*, [2015](https://monthlyreview.org/archives/2015/), [Vol. 67, No. 3](file:///C:\Users\josip\Documents\Dejan\Vol.%2067,%20No.%203); <https://monthlyreview.org/2015/07/01/contemporary-imperialism/> (26. 6. 2018). [↑](#footnote-ref-13)
14. Marko Kržan proposed the understanding of “socialist” bureaucracy as bureaucracy without a ruling class. Bureaucratisation of juridico-political apparatuses is a spontaneous process pertaining to institutional logic. However, in all the pre-socialist states there exists a ruling class, which more or less successfully controls the state as the instrument of its class rule. Contrary to this, in post-capitalist (“historical socialist”) states, the bourgeois ruling class had been destroyed and the working classes were excluded from the management of the state apparatuses. Instead, party-state bureaucracy “represented” the working masses and managed the state apparatuses “in the workers’ name”. The results of the unhampered bureaucratisation were catastrophic. (Marko Kržan,”Teorija prehoda med družbenimi formacijami” [Theory of transition between social formations], postface to: Ernest Mandel, *Prehod v socializem* [Transition to Socialism], Založba /\*cf., Ljubljana, 2016; same, “Kaj se lahko socialisti 21. stoletja naučimo od oktobrske revolucije?” [What can we socialists of the 21st century learn from October revolution?]; <http://www.levica.si/kaj-se-lahko-socialisti-21-stoletja-naucimo-od-oktobrske-revolucije/> (27. 6. 2018).

    . [↑](#footnote-ref-14)
15. “This commodity form of consumer goods reacts in its turn both economically and socially on the production relations. *The economic order of the society transitional between capitalism and socialism is therefore governed by the conflict of two antagonistic economic logics: the logic of the plan and the logic of the market* (distribution of the economic resources according to priorities consciously set by the society, or distribution of these resources according to objective market laws which hold sway behind the backs of the producers).” (Ernest Mandel, *op*. *cit*.) [↑](#footnote-ref-15)
16. ## The concept of »post-capitalist« societies has been developed by Catherine Samary: « Octobre 1917-2017. Le communisme en movement », *Médiapart*, 24 mars 2017; <https://blogs.mediapart.fr/jean-marc-b/blog/240317/octobre-1917-2017-le-communisme-en-mouvement-par-catherine-samary> (19. 6. 2018); « D’un communisme décolonial à la démocratie des communs : Le ‘siècle soviétique’ dans la tourmente de la ‘révolution permanente’ », *Inprecor*, n°642-643, août-septembre 2017; <http://www.inprecor.fr/recherche-article-ayant-sujet?nom=Samary%20Catherine> (19. 6. 2018).

    [↑](#footnote-ref-16)
17. In 1950. In the sequel, we will restrict our examination to Yugoslav socialist project for two main reasons: the limitations of the author’s knowledge, and his belief that the history of Yugoslav socialism offers an instructively salient display of the contradictions of the post-capitalist social formation. [↑](#footnote-ref-17)
18. The period between the introduction of self-management (1950) and the economic reform that established “market socialism” (1965). We adopt the periodisation proposed by Marko Kržan (“Jugoslovansko samoupravljanje in prihodnost socializma” [Yugoslav self-management and the future of socialism], afterword to: Catherine Samary, *Komunizem v gibanju. Zgodovinski pomen jugoslovanskega samoupravljanja* [Communism in Movement. Historical Importance of Yugoslav Self-Management], Založba /\*cf., Ljubljana, 2017): 1945-1950 – administrative socialism; 1951-1965 – administrative self-managed socialism; 1966-1971 market self-managed socialism; from 1972 on – the period of disintegration. [↑](#footnote-ref-18)
19. »Refraction of contradiction« is the process whereby a contradiction in one structural instance articulates itself, under concrete historical conditions, within another structural instance. E.g., the contradiction between labour and capital can, under certain conditions, refract itself in – or take the form of – the struggle for an increase of the minimal wage, i.e., in the struggle for a redefinition of the existential minimum. The concept is inspired by the category of “refraction, *prelomlenie*« in the works of Voloshinov and Medvedev (Valentin N. Vološinov, *Marksizm i filosofija jazyka* [1929]; Pavel N. Medvedev, *Formalnyj metod v literaturovedenii. Kritičeskoe vvedenie v sociologičeskuju poètiku*; both in: Mihail M. Bahtin (Pod maskoj), *Frejdizm. Formal'nyj metod v literaturovedenii. Marksizm i filosofija jazyka. Stat'i*, Labirint, Moskva, 2000). [↑](#footnote-ref-19)
20. The structural contradiction took the form of a classical purge within the party-state apparatus in 1966. Aleksandar Ranković, pre-war revolutionary and vice-president of the federation, was excluded from political activity. State security service was reorganised and purged of the “pro-Ranković” elements. [↑](#footnote-ref-20)
21. Roughly between the early nineteen sixties and the early nineteen seventies. First the technocrats were winning over the bureaucrats (the publicly visible results being the economic reform of 1965 and the fall of Ranković in 1966); later the bureaucrats won over the technocrats (the ousting of Croatian, Serbian and Slovene party-state leadership in 1971 – 1972; constitutional amendments of 1972 and the new constitution of 1974). [↑](#footnote-ref-21)
22. Ideologies importantly differed in various ideological “sub-spheres”. In the arts, bourgeois modernism prevailed together with the abandonment of socialist realism since the early fifties (cf. Rade Pantić, "Od kulture u 'socijalizmu' ka socijalističkoj kulturi" [From culture in »socialism« to socialist culture], in: Vida Knežević, Marko Miletić (eds.),  *Gradove smo vam podigli: o protivrečnostima jugoslovenskog socijalizma* [We Have Built Cities for You. On the Contradictions of Yugoslav Socialism], Centar za kulturnu dekontaminaciju, Beograd, 2018.). In the academic and scientific apparatuses, since the nineteen sixties, bourgeois mainstream ideologies were gaining the terrain, occasionally in productive conflict with the still strong left orientation of Yugoslav social science. In the larger cultural sphere, nationalisms started to establish themselves since the mid-nineteen sixties. The long history of Yugoslav nationalisms during the socialist period has, it seems, two main sources. One is the national-liberation anti-imperialist dimension of Yugoslav socialist revolution. The other is the characteristic of Yugoslav socialism (shared, by the way, with the post-1920-ies developments in the Soviet Union and later in Soviet-type socialisms) that it established cultural institutions upon the bourgeois models (national theatres, national academies of sciences and arts, national educational systems, including national universities; etc.). Quite apart from the declared political platform, the institutional existence of bourgeois ideology produced its objective nationalistic effects. “Consciousness” eventually followed. [↑](#footnote-ref-22)
23. In fact, there was no economic crisis in the early nineteen sixties (cf. Kržan, *op. cit*.). The crisis was political, as self-management developed to a point where it pressed to be extended to the society as a whole. This would mean the end of bureaucratic domination in the political sphere. Political bureaucracy deemed it more profitable for its group interests to strike an alliance with the high management (the “technocracy”) who pressed for the introduction of capitalist elements into the system. Market socialism prevented generalisation of self-managed democracy, as it deepened the already existing *bourgeois* separation of the economic and the political spheres, and secured the continuation of bureaucratic domination in politics. Bourgeoisseparation of the economic and the political spheres offered the objective support to the alliance between political bureaucracy and economic “technocracy”. [↑](#footnote-ref-23)
24. Effects of market socialism (1966-1971) were fast to manifest themselves: decline of economic growth, increase of social inequalities, deepening of the South/North divide, decline of exports, increase of imports. Social conflicts intensified, the number of workers’ strikes was increasing, nationalist “techno-liberals” came to power in Croatia, Serbia and Slovenia, a right-wing nationalist mass movement developed in Croatia. – Critical left failed to realise the importance of the antagonistic contradiction of the two incompatible logics, the socialist logic and the capitalist one. Failure to see the antagonistic contradiction, equalled to believe that socialist transformation was irreversible. [↑](#footnote-ref-24)
25. In the sense proposed by Yevgenij B. Pašukanis in *Общая теория права и марксизм. Опыт критики основных юридических понятий*, 1924. [↑](#footnote-ref-25)
26. Cf. Branko Horvat, *Jugoslavensko društvo u krizi*, Globus, Zagreb, 1985. [↑](#footnote-ref-26)
27. Within the frame of a politically overstated debt-crisis. Yugoslavia was regularly paying the debt; Marković's government stopped the inflation etc. [↑](#footnote-ref-27)
28. Vera Vratuša writes of the (political) bureaucracy and the technocracy as the main fractions of the restoration coalition. She points out that components of the restoration coalition have been composing themselves already during the post-capitalist Yugoslav period, attacking the basis of Yugoslav socialism – social property: “Technocratic fraction of the class that collectively or as a group owned the basic means of production and communication (directors of major enterprises, of cultural, educational institutions and of the mass-media); the most entrepreneurial parts of the bureaucratic fraction (leaders in the party and state apparatuses of federal republics, autonomous regions and communes); and their ideological representatives, parts of highly educated petty bourgeoisie […] – were increasingly criticising the alleged irrationality of the ‘everybody’s and nobody’s’ social property.” (Vera Vratuša, *Tranzicija – odakle i kuda* [Transition – where from and where to], Čigoja štampa, Beograd, 2012; <http://www.princip.info/2017/06/19/vera-vratusa-zunjic-restauracija-kapitalizma-u-srbiji-1989-1999-godine/> (4. 6. 2018). [↑](#footnote-ref-28)
29. “The function of Piedmont in the Italian Risorgimento is that of a 'ruling class'. […] Piedmont had a function which can, from certain aspects, be compared to that of a party, i.e. of the leading personnel of a social group […]: with the additional feature that it was in fact a State, with an army, a diplomatic service, etc.” Antonio Gramsci, *Selections from the prison notebooks*, Lawrence & Wishart, London, 1971, p. 286. – Carlos González Villa analysed the response of the ruling groups in Slovenia to the protests of 2012 and during the migrant crisis 2015 – 2016 as “passive revolution”, where Slovene state assumed the »piedmontese function« of the substitute to the absence of a local ruling class (Passive Revolution in Contemporary Slovenia. From the 2012 Protests to the Migrant Crisis, *Tempo devorado. Revista de historia actual*, vol. 4, br. 2, 2017; http://revistes.uab.cat/tdevorado/article/view/v4-n2-gonzalez-villa; /4. 6. 2018/). – I would suggest that all the post-Yugoslav bourgeois nation-states performed a “Piedmontese function”, as, at the historical moment of restoration of capitalism, there was no national bourgeoisie to lead the anti-socialist counter-revolution. [↑](#footnote-ref-29)
30. Political bureaucracies, fragmented as they were, united themselves for their swan song – the final blow against Yugoslav socialism: “[…] the main collective agents, interested in the transition towards the completion of the restoration of capitalist relations, continued their legislative activity, begun with the [federal] Law on enterprises of 1988. […] The last Yugoslav federal government […] prepared the Law on the circulation and the disposal of social capital in 1989, passed with some amendments by the federal assembly in August 1990.” (Vera Vratuša, *Tranzicija – odakle i kuda* [Transition – where from and where to], Čigoja štampa, Beograd, 2012; <http://www.princip.info/2017/06/19/vera-vratusa-zunjic-restauracija-kapitalizma-u-srbiji-1989-1999-godine/> (4. 4. 2018). [↑](#footnote-ref-30)
31. ## The case of Greece suffices to justify this assessment. During the negotiations, European Commission and European Central Bank, together with the International Monetary Fund brutally pressed (often ill-funded) interests of French and German private banks and transnational speculative funds. See *Preliminary Report of the Truth Committee on Public Debt*, by Truth Committee on the Greek Public Debt: <http://www.cadtm.org/Preliminary-Report-of-the-Truth> (16. 12. 2018). – We should note that not all “nationalisms” have a negative attitude towards EU. If we add the attitudes towards the US imperialism, we get a matrix where all the possible combinations apply – with the meaningful exception of EU-, US-. (E.g.: Croatia: EU+, US+; Poland: EU-, US+; Serbia: EU+, US- ; etc.) The absence of what Greimas would call “*terme neutre*” (the minus-minus combination) indicates that these fractions of a non-existent class need a hegemon. In the sequel, we shall explain why.

    [↑](#footnote-ref-31)
32. We shall not consider China, an exceptional case. While China may be the future world hegemon, it still conserves at least one important element of socialism (free access to the land, i.e., no private property over the land). Cf. Samir Amin, China 2013, *Monthly Review*, [Vol. 64, No. 10, 2013](http://monthlyreview.org/archives/2013/volume-64-issue-10-march); <http://monthlyreview.org/2013/03/01/china-2013> (17. 12. 2018). [↑](#footnote-ref-32)
33. For an early apology of the identitary »politics of recognition«, see: Charles Taylor, *Multiculturalism and the Politics of Recognition*, Princeton University Press, Princeton, 1992. [↑](#footnote-ref-33)
34. *Praxis* was a Yugoslav philosophical and social sciences journal published in the period between 1964 and 1974 by the Croatian Philosophical Society. Besides its basic Serbo-Croatian edition, it had international editions that gained them a wide international recognition. In the years 1964 – 1974 the group ran Korčula Summer School at the Adratic island of Korčula. See the *Praxis* Archive:

    <http://www.praxis-arhiva.net/digitalni-arhiv-praxisa-i-korculanske-ljetne-skole/> (3. 1. 2019); and the monography: Ante Lešaja, Praksis orijentacija, časopis *Praxis* i Korčulanska ljetna škola (građa) = Praxis Orientation, Journal *Praxis* and The Korčula Summer School (collection); translation into English by Emin Eminagić; Rosa Luxemburg Stiftung, Beograd, 2014: <https://praxis.memoryoftheworld.org/Ante%20Lesaja/Praxis%20orijentacija,%20casopis%20Praxis%20i%20Korculanska%20ljetna%20skola%20(749)/Praxis%20orijentacija,%20casopis%20Praxis%20i%20Korc%20-%20Ante%20Lesaja.pdf> (3. 1. 2019). [↑](#footnote-ref-34)
35. Louis Althusser: *Pour Marx* (1965); *Lire le Capital* (1969). Althusser’s references led us to read Mao Zedong, *Quatre essais philosophiques*; especially: “De la contradiction” (On contradiction) (1937); “De la juste solution des contradictions au sein du peuple” (On the Correct Handling of Contradictions Among the People) (1957). [↑](#footnote-ref-35)
36. “The ideas of the ruling class are in every epoch the ruling ideas”. [↑](#footnote-ref-36)
37. See footnote no. 22. [↑](#footnote-ref-37)