

Planned Economy in the USSR

by Jay Lovestone

(Concluded from last issue)
Lenin Showed the Way in 1918

All of these arguments about the Soviet Union retreating, all of these false estimates of the policies of the U. S. S. R., arise from a failure to grasp the dynamic processes, the dialectical course of the proletarian revolution in Russia.

Lenin, in his masterly "Program Address," delivered to the Congress of Soviets in the Spring of 1918, gave a clear and challenging answer to all these hostile critics of Socialist economy when he said:

"The first problem of any rising party consists in convincing the majority of the population that its program and policies are correct . . .

"The second problem of our Party was the conquest of political power and the suppression of the resistance of the exploiters. . .

"We are now confronted by the third problem which is the most urgent and which characterizes the present period—to organize the management of Russia.

"We are now in the third stage. Our gains, our decrees, our laws, our plans must be secured by the solid forms of every day labor discipline. This is the most difficult, but also the most promising problem, for only its solution will give us Socialism. We must learn to combine the stormy, energetic, breaking of all restraint on the part of the toiling masses, with iron discipline during work, with absolute submission to the will of one person, the Soviet Director, during work. . .

"The Russian is a poor worker in comparison with the workers of the advanced nations, and this could not be otherwise under the regime of the Czar, and other remnants of feudalism. To learn how to work—this problem the Soviet authority should present to the people in all its comprehensiveness. . . The possibility of Socialism will be determined by our success in combining the Soviet rule and the Soviet organization of management with the latest progressive measures of capitalism. We must introduce in Russia the study and the teaching of the Taylor system and its systematic trial and adaptation. While working to increase the productivity of labor, we must at the same time take into account the peculiarities of the transition period from capitalism to socialism which require, on the one hand, that we lay the foundation for Socialist organization of emulation, and, on the other hand, require the use of compulsion so that the slogan of the Dictatorship of the Proletariat should not be weakened by the practice of a too mild proletarian government.

"Among the absurd falsehoods which the bourgeoisie like to spread about Socialism, is the one that Socialists deny the significance of emulation. In reality only Socialism, destroying classes and, hence, the enslavement of the masses, for the first time opens the road for emulation on a really large scale. And only the Soviet organizations, passing from the formal democracy of a bourgeois republic to the actual participation in management of the toiling masses, for the first time put emulation on a broad basis." (Lenin's emphasis).

How correct an analysis Lenin made of the tasks confronting the Soviet Republic has since then been borne out more than once and particularly by the policies of the Central Committee of the C. P. S. U. in its Five-Year Plan providing for maximum tempo for heavy industrialization and the speediest collectivization of agriculture. Today not even the best brains on the Social-democracy dare challenge the fundamental socialist nature and success of the system of planned economy in the Soviet Union. For instance, even Otto Bauer, leader of the powerful Austrian Social democratic party and among the most outstanding figures of the Second International, in his latest volume, "Capitalism and Socialism Since the World War," is compelled to admit that he and his colleagues were wrong in their original estimate of the Soviet drive for planned, social economy, and that actually the U. S. S. R. is making big headway in the construction of socialist economy.

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The Soviet Union and the World Situation

The Soviet Union is today the most constructive force in the world crisis. It is the only country where social services are on the up-grade, where living standards are rising, where economic progress is constant and rapid. Even in the richest cities of the richest countries, bankruptcy stares in the face even the municipal governments. The financial plight of the city administrations of New York, Chicago and Philadelphia, illustrates this truth beyond a shadow of doubt. The leaders of the bourgeoisie the world over, and to no small extent the spokesmen of the American bourgeoisie, have been compelled to recognize the Soviet Union in a manner far more serious and significant than any mere diplomatic recognition could ever bring. America's scientific management experts are now studying the Soviet Union and are working diligently to try to learn from it, with a view of course of doing some desperate patch-work on the tatters of capitalist economy in the U. S. Symbolic of this trend is the position taken by Dr. H. S. Person, managing director of the Taylor Society, who declared to the New York Times, on October 11, 1931, upon his return from the International Planning Congress, last summer:

"I believe the Russian experiment has made great strides from a technological point of view, and to a degree which establishes a new world force, whatever happens politically. It is also my opinion that the United States will have to adopt in a modified form some of the technological practices of the Russians in order to avert the social and political effects which accompanied the Five-Year Plan." (Dr. Person's emphasis).

Dr. Person, an eminent authority on scientific management in industry, will certainly need to have more compliments for the Soviet Union as it makes still more rapid gains in technology, which the Soviet workers are only now learning. But Dr. Person tries to do the impossible when he attempts to separate the social and political phases from the economic. Perhaps, however, the old gentleman will learn, as he gets older, judging by the fact that as a spokesman of the most highly advanced country in capitalist technique he is already prepared to learn from the Soviet Union's technology, only yesterday among the most backward.

In this light, it is also significant to examine the findings of the well-known German economist, Professor M. J. Bonn, in his latest book "Prosperity". In his conclusions, Professor Bonn expresses great fear of the serious danger that "the mass of Americans in their painful disillusionment may go to the extreme of condemning capitalism altogether." Professor Bonn's fear is based on the fact that he has found in the United States "a fascination for Soviet Russia." Very likely this German economist, who is at such a loss to explain this phenomenon, could learn the why and wherefore of his fears, if he would examine the history and specific peculiarities of American economic development.

The bourgeoisie, the world over are very much disturbed at the fact that the Soviet Union, *precisely because its planned economy stands out in bold sharp contrast to the chaos and planlessness of capitalist economy*, will prove a disastrous disruptive force for international capitalism, will prove a force which will aggravate the world crisis of capitalism to a point beyond repair. This fear is thus clearly expressed by Dr. Toni Stolper, editor of *Der Deutsche Volkswirt*, in its last annual number, December 25, 1931.

Dr. Stolper said:

"Then it can be quite generally stated that Russia, with its planned economy, has become the greatest element for planlessness in the world . . . Presently the Russian planned economy is working not in a planful sense but in the sense of disturbing many plans in the world. Will this victory finally lead to a return to the system of a free market or to further building of a system of monopolistic (complete) planned economy?"

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The Victory Ahead

Of course, the road to complete socialist construction is not a straight path, smooth and without any difficulties. This road has its ups and downs and winding ways, steep hills, and peaks and valleys. It could not be otherwise in the process of building and rebuilding not only machinery but actually man himself, particularly man as a social animal. Already sufficient vitality and progress have been displayed by the Soviet Union to guarantee the success of the Socialist program not only on the economic front but also on the cultural front. For instance, today, the theatre in every country of the world is on the downgrade except in the Soviet Union. This is the conclusion arrived at by Mr. O. M. Carter, after his latest visit to the Soviet Union. Mr. Carter is a recognized authority on the theatre in general and on the Soviet Stage in particular. Similar conclusions in the field of music have been arrived at by Mr. Leopold Stokowski, conductor of the Philadelphia Orchestra and by Mr. Coates, well-known British director. Speaking of the Soviet Union and opera Mr. Stokowski declared:

"It was simply marvelous. I had never heard opera until I heard this finished Moscow company sing. The big thing there is the spirit; they are alive and enthusiastic; and they are singers. There is a surprising equality in the entire company; no particular singer stands out as exceptional. If any part of it is outstanding, it is the chorus composed exclusively of artists. One hears the mass chorus and yet hears the individual singers in the chorus—they are such singers . . . Nothing I've ever heard compares with it. You look back across the audience and

find them breathlessly still. No one moves. They sit enthralled. They have floated out of themselves."

Mr. Coates, after visiting the principal European musical centres, declared that the only source of optimism in this field that he could find today is the Soviet Union.

And literacy has already risen from one-third to three-quarters.

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But many theoreticians might make the concession, so to say, that planned economy is suitable for the U. S. S. R. but not for other countries. For instance, Dr. Stolper defending this viewpoint said that: "The Russian experiment in planned economy could actually begin with a beginning (An einem Anfang anfangen)." Dr. Stolper argues that in Russia the war destroyed the previous economy; that in Russia the Revolution destroyed the capitalists and feudalists; that in Russia there has been established a proletarian dictatorship; that because of the many years of war and civil war life is very cheap in the Soviet Union.

This is somewhat original but really poor thinking. The destruction by the war of even the backward Russian economy did not help in the construction of socialist economy in Russia. Had our Russian comrades taken over an industrial machine as well developed as in the United States, they would have a much easier time constructing socialism today. Of course, Dr. Stolper is correct when he lays stress on the victorious proletarian revolution and the establishment of a working class dictatorship as essential prerequisites to the initiating of planned socialist economy. Should the American or German proletariat vanquish the capitalist elements it would be much easier for them to proceed with socialist construction precisely because of their having inherited a much more highly developed capitalist industrial mechanism.

There is nothing purely Socialist either in origin or in contents about the Five-Year Plan. It is only the idea of scientific socialism which for the first time in history has been brought into reality in revolutionary Russia. No leader of the Communist Party of the Soviet Union or of the Soviet Government claims any monopoly or patent rights for the ideas of the Five-Year Plan. In fact, Communists *thruout the world*, in the U. S. S. R. and in the capitalist countries, are working to hasten the development of conditions under which the working classes of the various countries will be able to launch similar programs of socialist construction in their respective countries. However, it must be emphasized with equal force that there is little hope for the bourgeoisie in any of their attempts to copy formally one or another of the features of the program of the Five-Year Plan in the U. S. S. R.

Genuine, planned, socialist economy has shown its capacities and achievements. The Communist Party of the Soviet Union has shown its ability to lead the working class to overcome the capitalist elements within the Soviet Union. Planned economy, genuine, social economy, is bringing about an economic order in which *the solution of the problems of production means the solution of the problems of consumption*; where the economic system is free from contradictions, lack of equilibrium, disemployment, and costly chaos.

Today even H. G. Wells can no longer dare to speak of the Kremlin as "this dark crystal of Russia." Wells and his ilk can no longer laugh at the electrification plans of Lenin, as he did in 1920. Then Lenin answered this author of fantastic bourgeois stories: "But these are only sketches and beginnings. Come back and see what we have done in Russia in 10 years time."

Pursuing the policies of Lenin, the Soviet Union, particularly under the Five-Year Plan has been energetically building planned social economy, has been going forward at a remarkable stride. The victory of the Soviet worker is a victory for the entire international working class.

Ruthenberg Memorial

Friday Eve., March 4th, 8 P. M.

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