PREFACE TO THIRD EDITION (1968)

When the second edition of State Capitalism and World Revolution was at the printer, the Hungarian Revolution exploded. It could only be acknowledged in a few paragraphs on the cover. Now, while this third edition is being prepared, the totality of what was put forward in this document is revealed in the revolutionary struggles of French workers and students. These struggles are not over as this is being written.

In the years since the second edition of State Capitalism and World Revolution was published in England much of what was contained in this document has been accepted by a wider public. What was first said here in 1950 became visible to many after the thaw in the Cold War and the increase in travel and communication between the nations of the West and of the East. The characteristics which the Soviet Union shared with all capitalist countries could be seen directly. It no longer had to be culled from statistical analyses or from reading between the lines of speeches to congresses of the Communist Party of the Soviet Union.

Yet this work is not only not out of date, it is more valuable than ever. For its significance has only incidentally been its accurate description of Russian and western European society. The importance of this book is that it refined and brought up to date the theory of Marxism and made it directly applicable to our own time.

What is most often overlooked by those who accept entirely or in part the conception that the Soviet Union and its related states are fundamentally capitalist is that this analysis is an analysis of capitalist society, not Russian society. The conclusions flowing from this analysis have the greatest relevance in understanding the United States as well as the Soviet Union, Great Britain as well as Poland, France as well as China, and, of course, the working class of all these countries. Capitalism is an international society and the working class is a class that transcends national borders. Marx’s description of nineteenth century England did not describe nineteenth century France or Germany. But the conclusions which Marx drew from his study of Great Britain were applicable everywhere.

In Chapter V, The Class Struggle, “The Mode of Labor in the United States” is set down side by side with “The Mode of Labor in Russia.” The specific form of class relations in Russia led to Vorkuta, to the German revolt of 1953, to the Polish and Hungarian Revolutions and to the Workers’ Councils as the new form of the workers’ struggles. But that form is as international as the Commune was in 1871, as Soviets were in 1905 and 1917. Not in detail but in essence—otherwise—all theory is nonsense or theory becomes a universal theory of national exceptionalism.

For the last twelve years the Hungarian Revolution has been evidence of the concrete stage of the struggle for socialism. It had established in life what could only be established in the abstractness of theory before. It began with the total destruction of the vanguard party as any kind of revolutionary instrument. It indicated how far in advance of 1917 the world of the 1950s was. An educated, modern working class did not require indirect methods of representation. In the Workers’ Councils it created the instruments of direct democracy, what has been called in the United States, participatory democracy. This, of course, has nothing in common with the “participation” of De Gaulle or the workers’ councils of Tito, both of which are designed so that workers can participate in their own exploitation. The Hungarian working class did not require separate instruments to control other sections of society. Farmers, office-workers, technicians, civil servants—all created their own equivalent of workers’ councils to manage their own affairs in the name of the revolution as a whole. Instead of workers or students taking over such strategic instruments as radio stations and newspapers, the staffs of these institutions made their own revolution. The refusal of the black liberation movement to confine itself to the limits of a single traditional organization; the constant search for, and experimentation with, new social and organizational forms on the part of black militants, students, and middle-class anti-war fighters; the resistance of American workers to union-imposed contracts and procedures: all are reflections of the new stage that emerged in Hungary in 1956.

Now, in 1968, the struggle is renewed in France. In 1950 the following was noted in State Capitalism and World Revolution: “The Stalinist leaders aim to control the mass proletarian mobiliza-
ition in exactly the same manner as De Gaulle aims to control those of the petty-bourgeoisie. The Leninist party in 1950, in practice where it can, but in theory always, must be the expression of the mass proletarian mobilization aimed against the bureaucracy as such. This bureaucracy in Russia, in France and Italy (even where it is in opposition) and in the United States is the embodiment of the Plan of state-capitalism" (page 57). The revolution in France has already carried the theory of 1950 and the events of 1956 further. It is necessary to say now that Communist Party, Social Democratic Party, Trade Unions, all are bourgeois institutions. They can neither speak for nor negotiate for the revolution. The revolution is not the means by which workers achieve new, socialist institutions to replace the old, bourgeois institutions. The revolution is the means by which the socialist institutions emerge and destroy the bourgeois institutions which restrain them.

The mode of labor in the United States, that is, the specific form of relations between the working class and its oppressors, also reflects this new stage and must lead to an American equivalent of workers’ councils. "The bureaucracy inevitably must substitute the struggle over consumption, higher wages, pensions, education, etc. for a struggle in production. This is the basis of the welfare state, the attempt to appease the workers with the fruits of labor when they seek satisfaction in the work itself. The bureaucracy must raise a new social programme in the realm of consumption because it cannot attack capitalism at the point of production without destroying capitalism itself" (page 41). Since that was written it has been demonstrated in many ways. Negatively, the bureaucracy (especially of the former CIO unions) have demonstrated that they are no longer the simple, corrupt agents of capitalists as were their old-line AFL antecedents. John L. Lewis of the miners, Walter Reuther of the auto workers, Harry Bridges of the longshoremen, and their brothers in other industrial unions have long demonstrated their willingness to participate directly in the management of production and the disciplining of rank-and-file workers through the union contract and the grievance procedure. No matter how modified the form, this is no longer the traditional behavior of the labor fakers of the epoch of imperialism. This is the Stalinism (or, perhaps, neo-Stalinism) of the labor bureaucracy in the epoch of state capitalism. It should be clear that the term, Stalinism, is not being used in the narrow sense of a faction of the Communist Party. The same distinction is needed to understand the difference between Attlee and Wilson, who were and are deter-

mined that the Labour Party shall administer British capitalism, and Macdonald and his brethren of pre-World War II, who were equally determined that it should not. These are the bureaucrats (in the United States, in Great Britain and elsewhere) whom the Marxist sectarians are determined to educate to their "responsibilities," or replace with more efficient bureaucrats.

The workers, of course, have other ideas. The massive 1955 wildcats in the UAW for the first time openly counterposed "the struggle in production" to "the struggle over consumption." To Reuther's new national agreement which included the precedent-setting Supplemental Unemployment Benefits, the workers replied with "specific local grievances" which, in their tens of thousands, ran the gamut of life in the factory and indicated the determination of the workers to control production. Since then the process has expanded and intensified, leaving very few industries untouched. In this struggle, Marxist methodology requires that the Hungarian workers' councils act as a goal and a guide. When workers are clearly rejecting the concept of a return to the beginnings of the union, when they are searching for new forms of organization, it is not the function of conscious revolutionists to urge them to confine their struggle to the limits set by labor bureaucrats and the requirements of capitalist production. It is necessary to describe the struggle as it really is—the search by American workers for their equivalent of the workers' councils. The only alternative is to pretend that the trade unions can perform some kind of revolutionary function, something they have never been able to do, even under considerably more favorable circumstances.

The conception that there is a revolutionary potential in the American trade union movement has been rejected by American workers. But is serves still to mislead numbers of radicals looking for ways in which to fight the American imperialist colossus by helping to conceal the fundamental division between workers and union officials and the deadly war that goes on constantly between them. It is only ignorance of this war which can lead to theories that proclaim the incorporation of the workers into the Establishment (or the disappearance of the working class altogether). It is a peculiar view which believes that workers who have won themselves, through decades of the bitterest and most violent class struggle, increased incomes, private homes and cars, refrigerators and television sets, are therefore more likely to enter the factory each morning of their lives and accept without serious argument inhuman, totalitarian treatment that is a combination of the peniten-
The origin of *State Capitalism and World Revolution* as a document that was presented to the Trotskyist movement required that it have polemical elements although it was the positive presentation of a profoundly new analysis. This has resulted in its containing names that would be unfamiliar to the ordinary reader. Pablo and Germain were the political pseudonyms of European Trotskyists who held differing views on the problems under discussion. Faced with the collapse of Trotsky's theory, Pablo represented a new orthodoxy which sacrificed Marxist methodology in order to extend Trotsky's defense of the Soviet Union to a principle applicable to all Stalinist societies. Germain, not willing to go that far, introduced an empirical form of exceptionalism to permit him to decide for himself which Stalinist societies were workers' states and which were not. Max Shachtman was at the time the head of the Workers Party, a split-off from the Trotskyist Socialist Workers Party. The Workers Party, after a series of metamorphoses, was dissolved into the Socialist Party, of which Shachtman is part of its extreme right wing.

The origin of this work as the collective viewpoint of the Johnson-Forest Tendency also dictated that its authorship be anonymous. It is gratifying to be able to record that, with the kinds of assistance from other members of his grouping that are usual for political documents, the author was C. L. R. James. Perhaps this will help to place James, who wrote for a number of years under the pseudonym of J. R. Johnson, in a truer light as a major inheritor and continuator of the Marxist tradition.

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**PREFACE TO SECOND EDITION (1956)**

*State Capitalism and World Revolution* was originally published in 1950. The origin of the document is as follows.

The only serious theoretical opposition to Stalinism was that provided over the years by Leon Trotsky. But by the end of World War II, it was obvious that Trotsky's theories no longer had any relation to reality. In the United States, the Johnson-Forest Tendency, a minority of the Trotskyist Socialist Workers Party, decided to present to the 1950 Convention of the Party, not a political resolution of the traditional type, but a long overdue restatement of Marxism for our day. The fact that after six crowded years, it can be reprinted exactly as it was written (with the addition of one word, accidentally omitted in the original) is, we believe, sufficient testimony to the soundness of its theoretical premises.

There is only one test of any theory and that is experience, life itself. In April 1956, the Russian jet plane that landed at London Airport announced the existence in Russia of a modern industry and, with it, a modern proletariat. Relations between workers and management in Western Europe and the United States now form a reliable yardstick for the examination of events and pronouncements in Russia.

With this as guide, Khrushchov's report to the 20th Party Congress makes two things clear. The Russian Communist Party and the Russian unions find themselves in increasing isolation from the all-important productive process of Russia's modern industry. Secondly, under the covering shell of totalitarianism, the actual managers of Russian industry face the same problems as are faced by Dick of Standard's in Coventry or Ford in Detroit and are as baffled by them.

Twenty-five years ago in Britain because of lower levels of tooling, greater craft stratification and the reserve army of unemployed, it was still possible to enforce an effective piece-work system. Its destructive consequences for labor and society were multiplied a thousandfold in the forced industrialization of Russia and was the economic basis of the monstrous regime of Stalin.