

essence it is incompatible with the type of centralised administration which will inevitably arise. The latter will unavoidably dissolve into the rule of many separate dictators, and the course of social life will be determined by autocratic forms of rule within the system of democracy." Thus here also we will see yet a further example of how democracy becomes a cloak concealing the actual imposition of the rule of a minority over millions of working people, exactly as under capitalism. At the very best the workers will have to content themselves with the highly valued "right of co-management", which represents yet another form of disguise concealing the real relations of power.

The rejection of all centralised forms of administration and management of production does not however imply that we have taken our stand exclusively upon a federalised structure. Wherever management and administration of the economy are in the hands of the masses themselves and are implemented through their industrial organisations and cooperatives, powerful syndicalist tendencies are without doubt present; but when viewed from the aspect of the system of general social book-keeping, economic life is seen to be *an indivisible whole*, from which strategic vantage-point the economy is not so much administered and managed as surveyed and planned as a unified whole. The fact that all the various changes wrought upon society in the course of the economic process by the application and simultaneous transformation of creative human energies come to be registered in the one recording organism forms the highest summation of all economic life. Whether one calls this federalist or centralist depends simply upon the vantage point from which one views the same phenomenon. It is simultaneously both the one and the other, which means that, as far as the system of production as a whole is concerned, these concepts have lost their meaning. The mutual opposition of federalism and centralism has been subsumed within its higher unity; the productive organism has become an organic whole.

TRANSLATOR'S POSTSCRIPT

PROBLEMS OF THE TRANSITION TO COMMUNISM

Introduction

Almost 60 years have passed since Jan Appel and his remarkable group of co-theoreticians of the economics of Communism first gave their work to an overwhelmingly sceptical revolutionary proletarian movement. At that time, Leninism, disguised behind its "internationalist" mask of "Marxism-Leninism" and still able to pose as "the Marxism of the epoch of imperialist wars and proletarian revolutions", was proclaiming the imminent "death crisis" of imperialism and the birth of a new era of a "developing Camp of Socialist Nations" headed by the "Soviet" Union.

Today, however, imperialism appears stronger than it has ever been, whilst the once-mighty "Camp of Socialist Nations" is disintegrating under the pressure of its own internal contradictions at a speed which defies the ability of even the most experienced of the bourgeoisie's most expert Sovietologists to keep pace with it. For all the talk about "democratisation" and "openness", their chief interest is concentrated upon the economic situation in "the First Land of Victorious Socialism". And rightly so, for it was here, at the fundamental level of the *social relations in production and distribution*, that the most basic flaw in what Sidney and Beatrice Webb, the first of the many "Friends of the Soviet Union" which

reformist petit-bourgeois socialism was later to spawn in their thousands, were pleased to call "the great Soviet experiment", first began to appear at as early a date as 1920.

Alongside the masterfully clear exposition of the elements making up the true economics of the transition to Communism which forms the positive content and greatest achievement of the work of Jan Appel and his team, the basic economic contradiction lying at the heart of "Soviet" society is sufficiently thoroughly exposed in "Fundamental Principles of Communist Production and Distribution" as to make a careful study of its pages well worth the while of every genuine student of revolutionary Marxism aspiring to obtain, not only a coherent theoretical critique of what many Marxists have despairingly referred to as an unravelable historical tangle defying any rational social analysis, but also, and more importantly, a truly scientific understanding of the dialectics of the transition to Communism, so complex in form yet so simple in essence.

As for the "professional revolutionaries" manning the leadership levels of the many Leninist, Neo-leninist and Trotskyist sects, each one claiming to be the one and only genuine vanguard of the British proletariat, they will doubtless take their place alongside the openly bourgeois or petit-bourgeois "Sovietologists" in either screaming out their vociferous abuse or in attempting to avoid the awkward task of, for once, producing a plausible "theoretical" refutation in place of the hollow doctrinal abstractions to which their now thoroughly lazy and complacent intellects, rotten with bureaucratized platitudes, have long since succumbed by joining in a collective conspiracy of silence. Either way, history and the class struggle will have relegated them all to the gallery of the proletarian revolution's exposed fakes and charlatans long before the development of the revolutionary process will have brought to fruition any opportunity for them to realise their cherished aim: that of seizing control of the bridge controlling the ship

of the proletarian revolution in order to guide it onto the dreary and rock-strewn coast of State Socialism.

The Social and Class Motivations underlying the Contemporary Offensive against Marxism

As long ago as 1971-3, world capitalism came to the end of its long post-World War II expansionary phase. This period, which began shortly after the end of the War, in approximately 1947-8, represented an until then quite unprecedented phenomenon in the history of the capitalist mode of production, for never before had the capitalist system not only withstood all the usual pressures which normally make for the onset of cyclical trade crises - the peaks and troughs of the so-called "business cycle", usually reckoned to be of roughly 10-yearly duration - but, even more significantly, had also succeeded in sustaining unprecedentedly high rates of accumulation in the face of a likewise unprecedentedly high rate of employment - an achievement never previously registered in the history of capitalism.

Broadly speaking, two basic factors were responsible for this unique period of prolonged capitalist prosperity and stability. The first of these was accountable to the significant increases in both the *productivity of labour* and the acceleration of *absolute capital turnover* - the latter the result of the very considerable increases in *labour intensity* which had then become so marked a feature of the production process in many developed lands. It was the latter of these two factors which had been responsible, not merely for negating to a considerable degree the endemic tendency for the rate of profit to fall with a rising organic composition of capital - the classic cause, excluding the troughs of the trade cycle, of capitalist recession which otherwise would almost certainly have brought both the rate of accumulation and the rate of employment down at a

much earlier point in time than was actually the case - but actually for bringing about a significant *increase* in the rate of profit *per unit of time* - sometimes known more succinctly as the *temporal rate of profit*. These were the twin poles which formed the chief support on which the long post-war boom period was sustained.

There was, however, a second factor at work in the post-World War II situation, and this one which acted at the more substantive level of the market and investment conditions prevailing in the economically underdeveloped colonial sector of the world capitalist system. This was the likewise hitherto unprecedented *movement of intensified expansion into the underdeveloped periphery of the capitalist world* which had been made possible by the victory of the Anglo-U.S. group in the Second World War. As a result of this, a wave of capital export of hitherto unknown dimensions and duration into the underdeveloped lands was able to commence under the umbrella of the newly established post-war hegemony of U.S. capitalism. The resultant colonial-type investment was - at least for a time - able to obtain an average rate of profit appreciably above that prevailing in the developed industrial countries, mainly as a consequence of production conditions characterised by a much lower organic composition of capital and a similarly lower indigenous value of labour-power than those pertaining to the developed metropolitan lands.

The end of the post-war expansionary period was approximately coincidental with the end of the situation of *absolute U.S. hegemony* in the capitalist sector of the world which had set in at the end of World War II, and which came to an end c.1968-71. With the onset of that watershed period, the old crisis features of capitalism - chronic underutilisation of both capital and labour, rising inflation, growing social instability - began once again to manifest themselves. Accordingly, the main subjective socio-economic preoccupations of the leading world powers within the camp of capitalism began to be centered around the problem of how to achieve significant increases, not only in the average rate of profit available in the indigenous

metropolitan terrain, but more importantly in swelling the actual *mass* of realised profit available to the capitalist class upon which its stock of new investment capital necessary to the continuance of capital accumulation on an extended scale - the *sine qua non* of capitalism's continued existence, not to speak of its continuing good health - so fundamentally and crucially depends.

It has been these - from the point of view of Social Capital quite understandable - preoccupations which from the outset have formed the overriding, albeit unconscious, motivation underlying the economic policies pursued by the successive administrations representing the interests of Social Capital in Britain. Of these, some have been under the leadership of the left wing of British capitalism, headed by the Labour Party. The majority, however, have been under that of its senior political representative, the Tory Party, culminating in the long reign of Margaret Thatcher which began in 1979, some 8-9 years after the onset, in 1970-71, of serious recessionary symptoms.

The strategy employed by this most dynamically class-motivated and reactionary faction of the British ruling class has from the outset been a dual-pronged one: on the one side, it has been characterised by measures designed to bring about *significant increases in the average rate of absolute realised profit*. This has been achieved largely through the introduction of new technology which has significantly reduced the scale of deployment of living labour - variable capital - whilst simultaneously increasing considerably the already high average intensity of labour. Combined with this set of measures acting at the more profound level of value-generation has been the introduction of others of a more pragmatic and empirically founded character which have been designed to *extend the overall quantitative base of the productive economy upon which profitmaking and accumulation at the new qualitatively enhanced average rate of profit take place*. Where the first of these measures may be seen as the qualitative

