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### FOREWORD

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## TWO CONCEPTS AND TWO TENDENCIES OF STATISM

[Following is a translation of an article by Dr. Najdan Pasic in the Croatian-language periodical Komunist, Belgrade, Vol. XVIII, No. 159, 12 May 1960, page 8.]

Embracing all institutions and all relationships, and above all the conditions and laws of the functioning of the economic mechanism, the profound changes which statism has brought into the various fields of the life of the highly developed capitalist society are searching for their theoretical and scientific explanation and are forcing all class and political units to determine their action in accordance therewith. Since the state stands at the center of the changes which have overcome contemporary social realities, the determination of the relationship toward the existing state mechanism and the concrete manifestations of its activity and impact upon social processes becomes a key political question. In this regard one can today observe two extreme positions, both equally one-sided and incorrect.

On the one hand, theories have been created according to which the capitalist order in the Western countries has undergone in the course of past decades a "quiet revolution" which has eliminated from social reality the sharp class conflicts and exaggerated ownership inequalities, and instead of crises and social disturbances has brought full employment and social security. The principal instrument of this progress is held to be the social mechanism in existence which, in a multi-partisan democracy with universal suffrage, must serve the interests of the majority or at least constantly attempt to take care of such interests. The state has therefore limited the power of private property, reduced by taxation large estates and large profits, and by means of nationalization and other measures created a "mixed economy" system in which the working class enjoys a more or less equal share. Various forms of social protection have eliminated any mass manifestation of actual misery, and the democratic school system has widely opened the doors of social progress to those belonging to the "lower" social strata. As to those goals of social progress and social justice that were to be attained only through the overthrow of the existing order, these have either already been attained or have become attainable through the evolution of this very order and within its own framework. From being the tool of one class, the class of rich exploiters, which it indeed might have once been, the state has transformed itself into a tool of everyone's interests, into the principal moving force of social progress. Very roughly but exactly

expounded, this is the basic substance of the theory of "popular capitalism," of the welfare state of plenty, or other similar concepts and ideological visions so abundant in contemporary Western political literature.

Similar interpretations of statist tendencies and changes in social reality in the Western countries constitute the common ideological platform of those social forces and strata which accept class and political compromises based upon the new role of state and bureaucracy. The influence of such concepts is particularly strong in the social-democratic and laborite portion of the workers' movement, and it is upon these concepts that the leaderships of the social-democratic and laborite parties and trade unions base their programs and build their political tactics. In the "welfare state" which has partly already been created the task of the working class is not to tear down and change, but rather to preserve and add; this is the fundamental political conclusion which social democracy derives from its apologetic appraisal of social changes in the highly developed Western countries.

The second view is diametrically opposed to the first. It denies the existence -- indeed the very possibility of the existence -- of progressive social changes in those countries that did not undergo a violent overthrow of the capitalist order. Referring to Marxism, the advocates of this view especially harp upon the assertion that in the system of class exploitation no state is anything but the tool with which the ruling class oppresses and persecutes the exploited class. With the coming of crises into the capitalist order, the reactionary, oppressive nature of the capitalist state inevitably increases in momentum, because direct oppression becomes more and more indispensable for preserving the order. Hence the strengthening of the state can only mean a strengthening of the pressure upon and the oppression of the working class by the state apparatus, since every action by this apparatus substantially means an act of class violence.

If the capitalist state nationalizes entire branches of production, it does so only in order to save from bankruptcy the private capitalist monopolies which are generously compensated from social funds for their inefficiencies. Were the state organs to attempt to regulate lawfully the relationship between labor and capital, the true purpose of this could only be to take away from the workers their right to fight for their demands and, when the situation requires it, to strike and force the capitalists to give in. If the state apparatus were to give support to the formation of a mechanism for the workers' participation in management, one would see in this an attempt to deceive the working class and break up its unity and solidarity.

A similar appraisal of long-range statist changes in the socio-economic structure and political mechanism of the Western countries -- an appraisal which boils down to negating any such changes and adopting an a priori negative attitude toward them -- represents not only the extreme theoretical manifestation of a dogmatic revision of Marxism, but is an important element in the practical policies of certain Communist

parties in the West in a given period when the cold war between the East and West is intensified. Now that the contradictions of statism have so essentially changed the conditions of practical political action, now that the solution of all acute social problems touching upon the economic and political interests of the working class and society as a whole has become subordinated to the direct influence of the widespread system of state intervention measures, any a priori negative stand toward the new role of the state can produce but one result: political and social isolation.

In the mirror of their one-sidedness, both the aforementioned concepts give a deformed and incorrect image of the complex and contradictory reality of the transition period, full of the complex and manifold manifestations of statism. No matter how far apart with regard to their conclusions, these two concepts are actually very close in their methodology: they neglect the vivid and always correct dialectics of statist phenomena by separating and making absolute the opposite sides of the social realities that actually exist in their unity of opposites,

Neither bourgeois sociology and political science nor social democratic and Stalinist dogmatism are capable of explaining the key to the entire transition-period phenomenon: statism and the new role of the state.

The starting point of scientific interpretation of the real nature of statism is the general Marxist teaching on the state, its nature, and the historical conditions of its existence and withering away.

Marxism holds any state to be the unity of contradiction in the sense that the state is always a class product, an apparatus of public power separated from the society, which, with the aid of organized force, maintains a determined class order through which and because of which exists the rule of one class over another oppressed class and the entire society. However, the state can discharge its fundamental function as guardian of a determined class order only by assuming upon itself the role of the formal representative of society as a whole, i.e., of that "visible corporation" wherein this society as a whole is reflected. In any social order the state monopolizes in its hands the discharge of a score of generally useful social functions which, by their nature, must be carried out in a centralized fashion. As Marx and Engels demonstrated in their theoretical and historical works, any state in history has had such functions. The role of the state, as the tool of class rule, does not exclude but makes indispensable its formal representation of society as a whole.

The second fundamental characteristic of any state organization is its function as the apparatus of public authority which, by its position and duties, is separated from the society upon which it acts as an outside power. This apparatus has the intrinsic desire to subordinate to itself the entire society, including that very ruling class whose interests it is supposed to serve. To what extent and in what forms this tendency will materialize always depends upon the concrete historical conditions. The obsolescence or incompleteness of a given

class order whose functioning requires constant reliance upon state intervention and enforcement, and the correlation of forces of antagonistic social classes which fight each other for influence upon the social life and social policies -- these represent the conditions and circumstances which make possible and impel the strengthening of the state as a power above society.

In the light of these general theoretical views, let us now consider the role and function of the state in the contemporary transitional stage: first, in those societies in which there has occurred no violent overthrow of the existing state-legal and political superstructure. The obsolescence of capitalist relationships and institutions, particularly capitalist private ownership, has led to a crisis of the whole system based upon the complete domination of private capital. The only way out of this crisis was the subordination of the economic and social mechanism to compulsory state control. In order to protect the existing order from disintegration and disaster, in the future the state had to regulate its functioning. State intervention measures, however, could enable the socioeconomic mechanism to function further only to the extent that it eliminated or at least reduced the impact of the actual causes responsible for the depths to which the capitalist system sank. Such causes, of course, were intrinsic in the very nature of the processes of material production upon which is based the whole system of modern society which had become so closely tied to and integrated into national and international proportions that it could no longer suffer the authority of private capital, the subordination to private capitalist methods of production and distribution.

Hence, designed to enable the socioeconomic mechanism to develop further the measures taken by the capitalist state must be such as to limit the sovereign power of private capital. If the elimination of the crisis of the existing system is the direct motive of state intervention, its inevitable result must be the modification and undermining of the very institutions upon which this system rests. The protection of the existing order requires the state, as the formal representative of society as a whole, to secure the indispensable concessions to the objective needs of social development by introducing for the first time into the state capitalist order the elements of planning and social management. Hence the contradictory character of all state capitalist institutions in which capitalist relationships continue to exist, albeit in a modified fashion. These may eventually manifest a specific trend toward disappearing.

It is precisely because of this contradictory character that the state capitalist and other statist forms of institutions which dominate social realities during the transition stage can have a very different concrete sociopolitical and class substance forming part of completely opposite tendencies within social movements. These can be either "the last effort of capitalism to survive, or the first step toward socialism. Whether they shall be one or the other depends primarily upon the

strength and conscious political action of the working class, i.e., upon the outcome of its struggle for power" (Program SKJ, "Kulture," Belgrade 1958, page 25).

The analysis of the development of statism in the highly developed countries of the West has shown during the past 3 or 4 years the extent to which this appraisal is accurate and politically significant, as well as timely from the standpoint of social forces fighting for socialism.

Any manifestation of state intervention, any concrete form of statism, contains, at least potentially, both progressive and reactionary implications and consequences with regard to the general direction of social movement.

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