

Restructuring of Soviet Society

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The process of change in the Soviet Union is being widely discussed now.

“Perestroika” (restructuring) and “glasnost” (openness), have become household words in many languages. The changes first became obvious following the April 1985 plenary session of the Central Committee of the Communist Party, gained momentum after the 27th Party Congress held in February to March 1986, and since the January 1987 plenum of the Central Committee have been massive.

These changes are revolutionary in their scope, depth, and implications. They are often compared to the developments of Soviet society after the 20th Party Congress in 1956 which has since become known in the West as the “de-Stalinization” movement. But to my mind, the present restructuring is by far more radical than that of the late 1950s and early 1960s.

During that earlier period, drastic changes in the political and economic model were not on the agenda. Now, these basic problems are the focus of attention.

Restructuring poses many questions, both in this country and abroad. What areas will be affected by the changes and how deep will they be? What renewed society will emerge in the Soviet Union as a result of these developments? Generally speaking, to what extent is Soviet society susceptible at all to change?

Could it be that old stereotypes of the Soviet Union as a system which is completely rigid and incapable of transformation will prove correct and some time later, the prophecy “the wind returneth again according to his circuits” will be fulfilled? Many people are thinking back to the experience of the mid-1960s and the gradual rejection of de-Stalinization as well as to the renunciation of any dramatic changes in the economic model.

The concept of Soviet society which is as rigid as, say, some ancient oriental civilizations, has never been entirely accurate. It was based on the low susceptibility to change of the Soviet political and economic systems which were established in the 1930s and finally worked out in the 1940s and 1950s.

But the political system and economic mechanism, or model, are closely linked. In the long run, both are dependent on the productive forces and the social basis of the society. The gap can't be too wide. And it is the productive forces and social basis of the country that have been affected by sweeping changes since the late 1920s. From a mostly rural and agrarian country, the Soviet Union has developed into an industrial, urban country. In 1926, agriculture employed 75 percent of the working population, and in 1985, only about 20 percent. In 1926, urban population accounted for 18 percent of the overall population, and in the mid-1980s, about 65 percent.

There have been changes in the social structure, the level of education, culture, traditions, customs, the system of labor organization, and social psychology as a whole. Historical experience is so very important. Some of the old recipes of the 1930s through the 1970s have proven wrong and unacceptable.

Shifts in spheres of production are widely known and need no comment. The level of production and diversification have increased dramatically: Consumer demand has changed and there are new demands imposed by the scientific and technical revolutions. Life in a modern, very competitive world has evoked dramatic changes. Old political and economic models have become outdated. An urgent need has appeared to replace them. Subjective reasons - that is, reasons which appear to be more related to personality than to the objective forces of history - for some time have delayed introduction of the new models, but now the process of change has started.

While explaining the reasons for, and the driving forces of restructuring, it would be unfair to attribute this development solely to Gorbachev and other Soviet leaders, though the role of subjective factors is considerable. Mechanical determinism - that is the belief that objective material factors will be automatically translated into reality, inherent in much Soviet historical research - is also a dangerous illusion. However, the most important thing is that in Soviet society there appeared an urgent need for deep changes, and Gorbachev finally came on the crest of this wave.

Unfortunately, he came after a considerable delay. If only he had come sooner! He said in answer to a question put to him by L'Unita, "If there were no Gorbachev there would be someone else. Our society is ready for change; change would make its own way."

Changes in the Political System

Changes in the political sphere have been most conspicuous. A particular role was played by the January 1987 plenary session of the Central Committee and glasnost. A process of deep democratization has therefore preceded all other transformations. It is not an accident that this is so, but to my mind changes in other areas, such as in the economy, were as much needed, or perhaps even more.

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In any case, democratization has become the main instrument of restructuring; it has become an engine that brings the vessel into motion. It is shaping the general direction of changes and the mechanics of practical decision making.

Democracy is a historically conditioned concept. It is different for different times and societies, as social priorities vary markedly at various stages in historical development. Most important, the instruments ensuring democracy can differ sharply. In the West, this has meant first of all a multiparty system. But such a generalization may not be appropriate.

There were, on the one hand, nondemocratic regimes which have multiparty systems. On the other hand, there are also democratic one-party regimes. It is, rather, the differences in particular programs of politicians and the distribution of functions between legislative, executive, and judicial branches, and the important role of the popular media which also can determine whether democracy really exists.

The purpose of the democratization in the Soviet Union is to ensure a mechanism for expressing opposing views and the coexistence of different social forces within specific Soviet forms. These, as a rule, differ from those existing in other countries. One of them is glasnost which means a new role for popular media. This process should gradually eliminate "zones free from criticism." Already, much more can be said about things which could not be said a year ago, and people are confident that this direction will continue.

Now, top-ranking officials in the party, state, or judicial organs are subjected to sharp criticism. *Pravda*, for example, and other newspapers have

started publishing very critical articles condemning abuses in a number of regional and republican party organizations. There was sharp criticism of the first secretaries of Uzbekistan and Kazakstan, two important republics. The leader of the party in Kazakstan, Kunaev, was a full member of the Politburo of the Soviet Union. Rashidov, of Uzbekistan, was a candidate member. Again, in May 1987 another article in Pravda “discussed the abuses of power of Shakirov,” the first secretary of the party organization in Bashkirya.

The *Literaturnaya Gazeta* and *Izvestia* have several times published material on judicial mistakes and arbitrary rulings of some officials. There was a case in Byelorussia where several people were sentenced to death and later it turned out that they had not committed the crime. Their trial had been carried on by authorities in violation of the procedural codes. There was a great public uproar when all this came to light, and the officials were exposed. Similarly, the newspaper *Izvestia* published in May 1987 an article about an illegal persecution of a religious sect by local authorities in the town of Kazan.

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This list of such publications is far from exhaustive. Much more evidence now appears in our press, which indicates that glasnost and criticism are not only a public campaign in the Soviet Union, but have become integrated into everyday life. Prime Minister Margaret Thatcher and Secretary of State George Shultz, as well as some popular media personalities, have made statements on Soviet television, expressing their views.

Not that this policy enjoys unanimous support in this country. Our newspapers publish angry letters, whose authors argue that such a line is wrong, that it is unfair to give outspoken ideological opponents an opportunity to propagandize their points of view in the Soviet popular media. Our political culture has been shaped through the lives of many generations, and it cannot be changed in a short time.

Of great significance, however, are the changes in political mechanisms. While these represent only initial steps, experiments are going on. Slates of multiple candidates have been introduced in a number of local soviets. Both in state and in party organs, measures have been introduced to ensure control of the execution of power by the people. To ensure the independence of state and social organizations, a process has been started to enlarge the functions of the local soviets, the trade unions, and women’s and youth organizations.

As for democratization in economics, at the level of state enterprises attention is being given to labor's increased participation in decision making. A system of elections to some important managerial posts has been introduced. For example, the director of the automobile plant RAF in Latvia was elected from a field of six to seven candidates, by secret ballot of employees. Some of the candidates had chosen themselves to run, that is, had nominated themselves. Direct participation of factory and office workers in decision making in state enterprises is, in principle, very important as it provides additional incentives to increase labor productivity and efficiency.

There is no unemployment in the country, yet many enterprises experience a big labor shortage. In addition, existing labor legislation makes it difficult for administrators to fire even a negligent worker. As a rule, trade unions and judicial organs safeguard workers' rights. This diminishes the effect of "external motivating factors" to raise efficiency and improve quality. In this situation, the role of inner incentives must grow, including enlisting the support of blue- and white-collar workers in decision making about social and production problems in their enterprises. Electing managers all the way up to the director serves the same purpose.

Back in 1983, a law was adopted on labor collectives, which substantially enlarged the rights of employees. But there was a problem with subsequent implementation: At a majority of state enterprises, employees were reluctant to make use of the law. Their wages and salaries were only slightly affected by the profits of the enterprises. Today, that situation must change. In addition to fulfilling the plan targets, as enterprises become increasingly independent, the role of profits has to be significantly increased. These profits can be used to raise income of employees as well as to meet social needs.

Measures are also being taken for developing intraparty democracy. This is particularly important for the Soviet Union and other socialist countries because of the key roles of communist parties in all managerial and ideological processes. Here again, the idea is to strengthen the influence of rank and file party members upon leadership. Party leaders are being subjected to more criticism. In some local party organizations party secretaries are elected directly by secret ballot, without intermediaries.

Changes in Planning and Management Systems

The need for dramatic changes in the system of planning and management has become an objective necessity earlier than in other fields and has been an impetus to the whole process of perestroika. It would be unfair to assume that the centralized planning system the way it was established in the 1930s and 1940s was altogether wrong and deficient. The economic performance of the Soviet Union under this system for five

decades is rather impressive. The Soviet Union has become the second industrial power in the world, and when many Western experts say that the “impressive results have been achieved only in military industries,” they are in error. To develop a modern military economy without a solid general economic basis is impossible.

Centralized planning has its advantages. It allows for quick mobilization of resources, focuses on key objectives such as industrialization, builds up heavy industry, accelerates development of particular industries, and allows for planning of macroeconomic equilibrium without recessions, avoiding unnecessary strong differences in personal income.

This system also performed another important function: It used strong state power for accelerated transformation of the peasant society into an industrial one. The peasant psychology, the social structure, the ingrained characteristics of labor and its work ethics are, by nature, slow to change. They need decades, if not centuries, to develop naturally.

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A strong state may act as a coachman, whipping up the horses. True, there is a danger that some horses can be whipped to death, which actually did happen. Such abuses proved, in hindsight, that a strong state should not be a brutal state. If it is, the results can be just the opposite of those intended.

Still, the strong appeal in many developing countries of the Soviet experience in industrialization, in addition to the advantages of centralization, can be explained by the desire to break the vicious cycle of backwardness. This can be done with the help of centralized state power. A market economy suggests a “natural” process, but a slow one, and pressing needs leave developing countries insufficient time, to say nothing about the inevitable excessive social stratification of the society.

In the period of the 1930s and 1940s the state in the Soviet Union acted as an omnipotent transforming power, one that collectivized peasants, turned the major part of them into city dwellers, altered their values and aspirations. Unfortunately, the Soviet Union paid too high a price for this in the Stalin era. Then in the 1950s and 1960s, the shortcomings of an administered economy became quite evident: Many state enterprises had little interest in technical progress or in lowering production costs, or diversification. The quality of goods was inadequate, and a chronic shortage of many products developed, as did absenteeism of workers and employees.

The economic reform of the mid-1960s dwindled and gradually came to naught because it met with resistance from forces who were not interested in its implementation. Besides, the very idea that lay at its basis was neither consistent nor comprehensive, and the old system hadn't yet run out of steam. The Soviet economy was still progressing, but problems began to mount. Late in the 1970s to early 1980s, the resources needed for continued development on the old basis became depleted and radical reform in the economic mechanism became imperative.

The main idea of the reform lies in the transition from an administered, or directive economy, to one based on costs and profits. The full-scale profit-and-loss accounting and "market" economy are not synonymous, though they do have very much in common. In some ways profit-and-loss accounting is a broader term than a market economy. Performance in such a system is judged by comparison of results and expenses even in the stages of production, before the product is yet an actual commodity. Costs and profits can be measured even before sale.

Decisions made at the June 1987 meeting of the Central Committee were very important for our economic reforms. These were aimed at lessening direct control of enterprises from above, giving more independence to state enterprises, shifting to a system of pay as you go and self-financing. The work of the planning system and branch ministries should also be reshaped. Reforms in price formation and the credit system will follow.

It would be premature to say that every detail of the reforms has already been worked out. Many things will have to be done still, many adjustments are still to be made. To my mind, there are still some key problems: for example, the relationship between - and the compatibility of - directive planning and full-scale profit-and-loss accounting of enterprises. And there is still the mechanism of price formation.

The objective difficulty lies in the fact that various parts of the economic mechanism are interdependent, which calls for comprehensive, coherent, and more or less simultaneous transformations. Otherwise, changes in some parts of the mechanism can be blocked by other parts that are still unchanged. The complexity of the economy of such a big country as the Soviet Union makes this task quite a challenge.

Ideological Changes

Public consciousness, especially mass consciousness, is very inert; it doesn't go hand in hand with the development of society. But it is changing, even if it hasn't caught up with changes in the political and economic institutes, especially in this time of such revolutionary and radical reforms. Still, these changes often can't be lasting, or can't be accomplished at all, without the necessary ideological transformation.

The main spheres of ideology directly relevant to the destiny of restructuring are, first, eliminating a dogmatic approach and the aggressive messianism which often accompanies it, that is, the ideology of the export of revolution; and second, making necessary shifts in popular consciousness and in the political culture.

The struggle against dogmatism and with the ideology of aggressive messianism by no means calls for a revision of the entire Marxist philosophy of history with its historical determinism, and the underlying assumption that material conditions determine one's consciousness, or that political and economic structures are dependent upon the level of development of productive forces in the society. On the other hand, Marxist-Leninist theory has always made it clear that it is impossible to export revolution. Revolutionary transformation cannot take place unless favorable conditions exist inside that society. Rejecting the aggressive messianic approach is consistent with this understanding. To go out with aggressive messianic fervor and try with force to impose revolution upon other societies against the will of the people won't work. It does not take into account the timing and development which every society has, which is its own.

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The socialist movement in Russia began late in the nineteenth century as a contrasting response to attempts of idealistic “narodniks” who used terrorism as an attempt to jump over, or bypass, the inevitable stages in societal development. They tried to bypass the market, or capitalist, stage.

Yet in real life it has been much more complicated. During the period of the October Revolution and subsequent civil war, and even later, many revolutionaries were eager “to march all the way to the English Channel.” They naïvely believed that working people in capitalist countries were impatiently waiting for their “brothers in class” to free them from “the oppression of capitalism.” Then, when Hitler's Germany attacked the Soviet Union, many Soviet people took it as a hard blow and were disillusioned that German workers and peasants wearing soldiers' uniforms were shooting at their “brothers in class” instead of turning their arms against their commanders.

It is dogmatic, also, to think - as was prevalent - that there is only one “genuine” socialist pattern, the Soviet one, and all others are negative or deviations that should be fought against, for example, the attempts to declare the Yugoslav and Chinese systems as “nonsocialist.”

These concepts of the “exclusive” character of the Soviet model began to fade as new deficiencies in the old models continued to emerge and were compared, for example, to the Hungarian pattern in agriculture. The 25th and 26th Congresses in 1976 and 1981 called for “studying the experience” of other socialist countries. The Soviet society has begun to realize that it is not “a bearer of ultimate truth.” Recognizing the inevitability and authenticity of the pluralistic concept at the international level simultaneously leads to encouragement of a pluralistic approach at home.

Of great significance has been a critical analysis of certain stages of national history, principally those connected with the Stalin era. Once again, discussions of these problems have become very acute and sharp, both among historians and in wide circles of the population. In addition, shifts in mass consciousness and political education of the population have become an important prerequisite for democratization, and for general restructuring.

In prerevolutionary Russia there was a prolonged period of authoritarian rule under the tsars. Public consciousness and the political culture of the masses had a number of specific features. Vast, scarcely populated lands at the outskirts of the empire permitted the continuous migration of the most active part of the population, those who were not happy with their life in the central part of Russia. They ran to the Southern steppes, (“to the Kozaks”), or the North, or to vast vistas of Siberia. To some extent this eased social tensions in the society. People got accustomed to authoritarian, centralized rule. A period of “bourgeois democracy” as defined by Soviet social science was practically nonexistent.

The prolonged “cult of personality” in the Stalin era didn’t contribute to the development of democratic traditions, either.

It is this historical background that explains to a large extent such specific features of mass consciousness of the Soviet population as “administrative thinking,” intolerance of opposing (“wrong”) views in politics, and “peasant egalitarianism.” If market prices are too high, most people will not appeal to increase supply, but rather support an administrative control on prices.

Many people still can’t understand why many points of view should be admitted, some of them being utterly wrong (“we do not need many opinions, we need only the right one”). Therefore, it is no accident that newspapers are publishing articles entitled “To Learn Democracy.” It is not easy to overcome traditions that have lasted centuries.

Egalitarian moods have always prevailed in the mostly peasant Russian society. To a large extent they have remained intact in the minds of the Soviet people up to this day. That is why high incomes, even if they are earned by efficient work, have often been disapproved of. As a rule, however, such criticism was counterproductive.

Art, and most of all, literature in the Soviet Union play a particular role in politics and ideology. Literature and art, through their best representatives, have always been the “people’s consciousness,” trumpeters of social and political aspirations of the masses. Russian literature, from the poetry of Pushkin to the novels of Tolstoy and Dostoyevsky, has been on the cutting edge of Russian political consciousness. For example, in the beginning of the twentieth century there was a famous anti-Semitic trial. It was called the Baylis case, and was analogous to the Dreyfus case in France. Baylis was accused of using blood of Christian children for preparing ritual meals. The writer, Korolenko, through his literary work helped to defeat the anti-Semitic attack, and the defendant was acquitted. The case aroused a great deal of public attention in Russia. The members of the art world took a front line position in the fight against anti-Semitism.

There is still an active political role for novelists in the Soviet Union today. There are new novels, like Anatoly Rybakov’s *Children of the Arbat*, which tell in detail about the very difficult times under Stalin. Boris Pasternak’s *Dr. Zhivago*, critical of all contradictions at the time of the October revolution, will be released soon. The film *Repentance*, which is a crying out against the abuses of a dictator, was released in early 1987, and has been showing to large audiences.

It is a common phenomenon in our history that many novels, films, and poems create a widespread social response, more so than sensational political articles or political books.

The so-called “village prose,” which dates from the essays of Ovechkin in the 1950s, is a better source of information on the anatomy of agrarian relations in the Soviet Union, than scientific research on the subject. Art exhibitions very often turn into discussion clubs, etc.

In the renewal of Soviet society that has been ushered in by perestroika, art once again holds a special place. It is becoming increasingly difficult to buy literary magazines, even though the number of copies printed have increased dramatically. During a television discussion sponsored by the literary magazine *Druzhba Narodov* June 1987, one of the Georgian writers said: “We, the writers are mediators between the authorities and the people.” In the Soviet Union, such comments are taken quite seriously. And this is again, part of the tradition of Russian literature, dating back to the nineteenth century.

Are there any safeguards for perestroika? This question is being asked repeatedly in the West, and not only in the West. In the multitude of voices of commentators and analysts, one can discern the inevitable skeptical voices, repeating with many a variation that in the long run the prophecy will be fulfilled: “the wind will return again according to his circuits,” meaning that the old times will return again, as they have before.

They say that the specific character of the Soviet society and the resistance of those unwilling to cooperate in the restructuring will bar the revolutionary transformations.

I can't accept this point of view, and this is not wishful thinking. The restructuring is being built on a solid foundation. First, the desire for changes and their acceptance of them as inevitable comes both from "above" and from "below." Thus, Gorbachev's policy has a wide social foundation. Second, as an economist, it is vitally important to know that rejecting, or reducing, the present ongoing radical change to something only cosmetic would have most negative implications for the economy. This we can't afford. Third, it is necessary to take into account the laws of development of mass consciousness. In periods of revolutionary shift, once the ghost is let out of the bottle, it is impossible to put it back. As Marx said, "If the masses become possessed with an idea, it becomes a material force." The masses in the Soviet Union have become possessed with the idea of perestroika.