

THE ACADEMIC CAREER AND ACHIEVEMENTS OF ALEKSANDR BUZGALIN

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Post-Soviet Russia in the past two decades has seen the establishing of a network of Marxist intellectuals working in the areas of philosophy, sociology and political economy. The main center around which this school has crystallized has been the journal *Alternatives*, published regularly by this community for more than 20 years. Through the work of the school more than 50 collective and individual monographs have appeared (including 37 in the “Library of the Journal *Alternatives*” series), along with many hundreds of articles, appearing in virtually all leading academic periodicals and in many well-known journals of public commentary. More than a hundred international scholarly congresses, forums, conferences and seminars have been held in numerous cities of Russia, with active international collaboration. The results have included the forming, in Russia and in the broader post-Soviet space, of the *Post-Soviet School of Critical Marxism*.

The journal *International Critical Thought* (Buzgalin and Kolganov 2011) has in the past outlined the main characteristics and socio-philosophical aspects of this school, and as a result the focus here will be on the main political and economic contributions made by one of its most eminent figures: Aleksandr Buzgalin, the chief editor of the journal *Alternatives* and arguably the best-known Marxist in present-day Russia.

Aleksandr Buzgalin was born in 1954, and spent his childhood in remote regions of Russia. In 1971 he entered the Faculty of Economics of Moscow State University, graduating with distinction in 1976. In 1979 he defended his candidate's dissertation, devoted to a highly contentious topic of that period, the contradictions of the planned organization of social production. He then took up a post at Moscow State University, where he continues to work. In 1989 he defended his doctoral dissertation, and since 1992 he has held the rank of professor.

At present, Aleksandr Buzgalin is a Distinguished Professor of the M. V. Lomonosov Moscow State University, and also director of the Institute of Socioeconomics of the Moscow Financial and Juridical University. He teaches courses on political economy, the methodology of socio-economic research, the Russian economy and a range of other topics. In addition, he conducts analytical and consultative activity in dialogue with the First Deputy Chairperson of the Committee on Education of the State Duma (parliament) of the Russian Federation and other deputies.

Aleksandr Buzgalin is an active public figure. At the final, Twenty-Eighth Congress of the Communist Party of the Soviet Union in 1990 he and two of his friends were elected to the party's Central Committee. Following the dissolution of the USSR and the banning of the Communist Party Aleksandr Buzgalin did not abandon social and political activity, but helped found the association "Scholars for Democracy and Socialism" and later, the "Alternatives" movement, in which he has been a leading figure for more than 20 years. In recent years he has also been first deputy chairperson of the public association "Education for All," one of the initiators and organizers of the Russian Social Forums, and a prominent participant in many other federal and regional initiatives of a socialist character. In 2011 Professor Buzgalin helped establish the *Political Economy Association of the Post-Soviet Space*, and he is now one of its coordinators. In the spring of 2013 he was a key participant in organizing the First Moscow Economic Forum, held at Moscow State University and involving more than 1,500 scholars, experts, politicians and business entrepreneurs from all continents. At the forum, constructive alternatives to market fundamentalism were put forward in the fields of economic policy and theory (Moscow Economic Forum 2013).

One of Professor Buzgalin's main areas of activity has been the journal *Alternatives*, of which he has been chief editor since 1994. The journal, together with international conferences organized by its editorial group and the books that have appeared as part of the "Library of the Journal *Alternatives*," has in practice provided the main setting for dialogue between *post-Soviet adherents of creative Marxism*.

Professor Buzgalin plays an active and continuing role in social and propagandist activity, making regular appearances on television and radio and expressing his

views through other mass media. He is the author of more than 300 scholarly works, including 23 books, and has acted as the leading editor for more than 50 monographs. He regularly presents papers at prestigious international forums in Europe and Asia, North and South America, and is among the active participants in, and organizers of, European and other social forums. Dozens of his articles and a number of his books have been translated into numerous languages including English, Chinese, German, Japanese and Spanish (Buzgalin 1998a,b, 2004a,b, 2006).

Before the main theoretical contributions by Aleksandr Buzgalin are examined in detail, it should be noted especially that over a period of 40 years (since his second year at Moscow State University) Professor Buzgalin has worked in a dialogue on major questions of theory and practice with his friend and co-thinker **Andrey Kolganov**, at present a Doctor of Economic Sciences and head of the university's Laboratory for the Study of the Market Economy. *The great majority of the works by these scholars have been written jointly, and hence the achievements referred to hereafter are in essence the fruit of combined work by these two scholars and social activists* (Buzgalin and Kolganov 1994, 1996a, 2004, 2009b). It's also important to stress that Alexander Buzgalin is working in permanent cooperation with such leading scholars of the Post-Soviet School of Critical Marxism as *Liudmila Bulavka* (Bulavka and Buzgalin 2004; Bulavka 2012, 2013), *Michael Voeykov* (Voeykov 2004, 2013), *Boris Slavin* (Slavin 2004, 2010, 2013), *Lev Naumenko* (2011), *Vladimir Shevchenko* (Shevchenko 2009, 2012, 2013), and others.

Some of the main thrusts of the political and economic research carried out by these scholars (and the corresponding areas of innovation) will be noted here.

I

First to be considered will be the contributions these authors have made to the **methodology of political economy**. The authors began their research within the framework of the so-called “university school of Soviet political economy.” Its leader was Professor Nikolay Tsagolov (Tsagolov 1973), well known in the 1960s and 1970s both in the Soviet Union and abroad, and one of the school's most interesting figures was Professor Nikolay Khessin (Hessin 1964, 1968). Readers of English now have available to them a very important article on this school written by one of its outstanding representatives, Professor Soltan Dzarasov, for the *Cambridge Journal of Economics* (Dzarasov 2010). The focus now will therefore be on the contributions made by Aleksandr Buzgalin and Andrey Kolganov as followers in this tradition. Buzgalin and Kolganov have inherited the stress placed by the “university school of Soviet political economy” on the *systemic dialectical method*, according to which the theory of a particular mode

of production appears as a system of mutually interconnected categories. This system is based on the method of proceeding from the abstract to the concrete, and each consecutive concept is deduced from the preceding one as the sublation of its contradiction, as a genetic heir. It is important to note that this deduction is not just a logical process, but a process of constant reference to historically understood practice, to a genuine historical development of the system. While assimilating these ideas, which have so little popularity nowadays, Buzgalin and Kolganov have also gone further.

In the first place, they have shown that this method can and must be applied to research into the modern market economy, advancing the hypothesis of the key categories of “21st Century Capital” (the content of these categories will be outlined subsequently).

Secondly, they have developed the dialectical method as it is applied to the study of the processes of co-creation, processes which are characteristic of modern networks and which have their basis in creative activity (Bulavka and Buzgalin 2004) and in the *conditions of transformation* that are of special importance for such countries as China and Russia. Basing themselves on analysis of the qualitative socio-economic changes in the post-Soviet space, on a dialogue with Soviet and foreign students of the transition period in the USSR of the 1920s and with studies of the genesis of capitalism, Buzgalin and Kolganov have sought to show why, how and in which cases not only progressive but also regressive changes occur in the economy, with the latter resulting in social reverses and having an involutory character. Further, these scholars have set out to show that the transformations are of a non-linear nature, that they lend a fragmented, mosaic-like character to the economic space, and that they are capable of repeating themselves. One example here is the dialectic of the genesis of capitalism. In the USA this process went ahead in relatively straightforward fashion, while also giving rise to such mutations (the theory of mutations of socio-economic systems is one of Buzgalin’s innovations) as plantation slavery. But in Russia, repeated attempts have been made over the past 300 years to shift onto a capitalist road of development, and to this day these efforts have not been crowned with complete success.

Thirdly, in a series of works of comparative analysis of economic systems (Buzgalin and Kolganov 2005) Buzgalin and Kolganov have not only substantially developed a method for conducting such research, but have also suggested an original model that makes it possible to characterize the *differentia specifica* of virtually any economic system on the basis of common parameters, and to define the system’s location (“address”) in economic time and space. The essence of this relatively complex hypothesis, which its originators somewhat ambitiously term the “periodic system of elements” (by analogy with Mendeleev’s periodic table of elements) consists in distinguishing the basic parameters, which in principle

are well known, of the economic system concerned. These parameters are (1) the technological bases of the economic system (whether its structures are pre-industrial, industrial, etc.); (2) the means employed for coordinating or allocating resources (the natural economy, the market, or social regulation and planning); (3) the property relations involved in the link between worker and owner (Asiatic despotism, slavery or serfdom; capital and hired labor; or the free association of workers); (4) the means of distribution and redistribution of income; (5) the specific type of reproduction and of economic growth; and (6) the political, industrial-legal and ideological-cultural process of formation of the economic system. These parameters make it possible to show the “address” of any economic system (from a national economy to an individual human being) in the multi-dimensional space of economic life. They point to the degree of homogeneity or heterogeneity of the system (in the latter case the degree of development of various parameters may differ substantially; the development of the system may “run ahead” in some respects while “lagging” in others). Moreover, the use of these parameters makes it possible to assess the degree to which one or another system has progressed in the direction of overcoming capitalist relations and giving rise to a qualitatively new socio-economic system (Buzgalin and Kolganov 2009a). These parameters have not been chosen indiscriminately; in one way or another, practically all of the main schools of economic theory distinguish between them. But it is the methodology of *Capital*, from which this analysis is descended, that allows one to draw these distinctions in the fullest and most integrated fashion. Most crucial is the fact that it is precisely these parameters that undergo qualitative changes as economic systems are radically altered; that is, when the breaking-up of an economic system lays bare the structure of its various layers, just as a river-bank when washed away exposes the structure of the soil. This has been particularly evident since the dissolution of the USSR, when the post-Soviet space has seen qualitative changes to the technological structure (de-industrialization); to the means of coordination (the destruction of the planning system, and liberalization); and to property relations (privatization) (Kolganov 2013).

Finally, the methodology employed in the works of Buzgalin and Kolganov has made it possible to show *which elements of classical Marxism have become out of date and are in need of critical developing, along with the reasons why this has occurred, and which elements remain relevant to this day* (Buzgalin and Kolganov 2009a). The key to resolving this fundamentally important question is to be found in the historico-dialectical viewpoint, the method of Marxism that never goes out of date and which allows one to make use of an evaluation that is as simple as it is important: to the degree to which the global economy retains the parameters of industrial capitalism, with its inherent relations of hired labor and capital and so forth (and this accounts for close to the bulk of production in the countries of the

Third World), Marx's *Capital* as such remains relevant. To the degree to which technological and economic-political relations have changed, we need a "*Capital*" of the 21st century.

II

To say that Aleksandr Buzgalin and Andrey Kolganov have worked out a comprehensive **politico-economic theory of the capitalism of the new epoch, a "*Capital*" of the 21st century**, would without question be a great exaggeration. But their recent books *Global Capital* and *The Limits of Capital* (Buzgalin and Kolganov 2004, 2009a) contain many important general conclusions that are located within the overall stream of world Marxist economic thought of recent decades. In their works these authors, following the logic of *Capital*, distinguish a new quality of commodity relations (the market); of money; of capital in its interaction with new productive forces; and of the reproduction of these categories through the mechanism of crises.

Buzgalin and Kolganov link the *new quality of commodity relations* with the technological and institutional development that has brought about the formation of a system which these authors describe as the total corporative-network market, in which simulacra-commodities play an increasingly important role.

The first new quality of the market is associated with the fact that free competition is gradually being annulled through the struggle and cooperation of corporate structures. These structures now act not so much as solitary authorized producers as amorphous *networks of market agents*, which have undefined borders and which are *subject to a center that represents the financial-informational core of the corporation* (the authors in this case use the image of a spider and its web). In a modern economy there are no more than a few thousand such centers of local regulation, and of these, only the topmost 400 or 500 are dominant. These centers have a transnational character, and their interaction is only remotely reminiscent of the free market competition out of which they grew. Consumers and the demand they exercise, small and medium business enterprises, and other counter-agents are not sovereign actors in this market, but to a greater or lesser degree dependent agents, whose behavior and values are manipulated by competing blocs of global corporate capital. Summarizing these generally well-known phenomena, Buzgalin and Kolganov conclude that we have seen the formation of a *total market* (Buzgalin and Kolganov 2004).

The second new quality of the market in recent years consists in the way it has swallowed up not only the production and consumption of products and services, but all areas of human life, carrying out a total marketization of humanity and society (a familiar reaction to this total power of the market is summed up in the

well-known slogan of the alterglobalist movement “The world is not for sale!” The results have included substantial changes in the nature of value and price, in the mechanisms through which the market fetishizes human relationships, and a great deal more.

The third new quality of the market that Buzgalin and Kolganov distinguish in their works is the steady growth in markets for simulacra—that is, for commodities which have an apparent price, but which do not possess a normal content either in terms of value or of use value. The political economy of simulacra which Professor Buzgalin proposes in this case contains a good many new theoretical ideas that differ substantially from the elaborations of Baudrillard and his followers (Buzgalin and Kolganov 2013b).

In the works of Buzgalin and Kolganov these features of the modern economy, in principle well known in one way or another, are not only summarized but also subjected to analysis, so that the substantial change in the content and form of the traditional categories of *Capital* that is taking place in the modern economy stands revealed. The topics of a number of new contributions made by Buzgalin and Kolganov to the theory of commodity relations in the 21st century include the political economy of the commodity-simulacrum; a new interpretation of its main properties; an analysis of the changes in the nature of competition and in the parameters of the law of value that are occurring as a result of the new, totally “networked” character of the market; the influence of these processes on the world of the human individual and the resultant new forms of alienation and fetishization; and the lessons that result from this for critics of capitalism and supporters of socialism, including “market socialism.”

In the field of the theory of money, Buzgalin and Kolganov take as their basis a broad range of Marxist works on questions of financial capital and financialization, and draw conclusions that are primarily of a methodological nature. They stress that in today’s modern economy, *money can and should be regarded less as a commodity-cum-universal equivalent than as a product of fictitious and virtual financial capital*. The “productiveness” that attaches to financial capital means that money becomes not simply a neutral aggregate, the sole question of whose functioning is its observance of the parameters set down by the so-called “Fischer equation” (the authors correctly point out that this is simply a plagiarization of the formula for the amount of money in circulation as found in the first volume of Marx’s *Capital*), but a specific qualitative type of capital. This latter signifies that money in our modern age is a specific form of a particular productive relationship (financial *capital*), through whose operation a specific type of (financial) profit is appropriated. What is special about this form of money is the fact that it is (a) fictitious, and (b) virtual. In particular, this latter characteristic means that money consists of simulative tokens which in themselves do not contain even a grain

of value, and which can be devalued at any moment if the parameters of world financial capital (in particular, the “rules of the game,” the institutions of financial markets) collapse or undergo substantial changes.

Continuing their study of the political economy of fictitious virtual money, Buzgalin and Kolganov analyze the new nature of capital. They begin by establishing that there is nothing accidental about the appearance of such *false* forms as human, social and intellectual capital. The proof that these are false forms of the development of human capacities, of unalienated social relations and of culture that are shaped by global capital is also among the interesting contributions by the authors, and is one that conditions important conclusions bearing on economic policy. Further, the authors reveal a system of relations not simply of exploitation, but of the total hegemony of corporate capital, which subordinates to itself not only the labor of the human individual, but also his or her free time, and not only the worker’s capacity for labor, but also his or her individual qualities.

At the center of the authors’ analysis is also the system of *relations of exploitation characteristic of today’s world capitalist system* (Buzgalin and Kolganov 2013a). The authors distinguish between several main “*layers*” of this system.

The *first* of these layers consists of the remaining forms of extra-economic coercion (modern forms of personal dependency, including elements of slavery, serfdom, and state despotism in economic areas).

The *second* layer encompasses the relations of “classic” capitalist exploitation. These include not only the appropriation by capital of the surplus value created by hired labor, but also relations of formal (the controlling of labor in the production process) and real (turning the worker into an appendage of the machine or of the conveyor) subordination of labor to capital. These relationships are typical of most modern industrial enterprises, but they exist in a close mix with other, more modern forms of exploitation.

The *third* layer is made up of the processes through which wealth and power are redistributed from the formal owners of capital (in particular, from shareholders in corporations and in various types of investment and pension funds) not so much to the managers (about whose revolution the world has now been informed for close to a hundred years) as to the *corporate nomenclatura*. These processes are characteristic of the present-day relations of the total hegemony of corporate capital, especially financial capital. The corporate nomenclatura, which concentrates in its hands control over information, finances and other so-called “insider” functions, redistributes profits and power to its advantage, becoming a closed, privileged stratum within the bourgeois class. In many of its features the corporate nomenclatura recalls the Soviet party-state bureaucracy, and this resemblance is still more powerful for the fact that it has become interwoven with the state apparatus; with the mass media; with centers of intellectual activity; and

with other subjects of the total hegemony of capital that manipulate the rest of the population.

Perhaps the most interesting layer of the modern relations of exploitation is the phenomenon of the *subordination of the creative worker to capital, and of the exploitation of creative activity*. As Aleksandr Buzgalin and Andrey Kolganov demonstrate, what is involved here is the appropriation by capital not so much of surplus value as of *intellectual rents*, and the *exploitation by capital not so much of individual creative workers as of the entire world of culture*. These innovations, which arise out of a critical dialogue with the works of Western Marxists, represent an original contribution to the Marxist theory of exploitation.

Leaving aside many other innovations which the authors have made in the field of the political economy of modern-day capitalism, the focus here will be on their contribution to the study of the *causes and nature of the world economic crisis* that began in 2007–08. In texts published in Russia as early as the winter of 2008–09, and subsequently translated in part into English (Buzgalin and Kolganov 2010), Buzgalin and Kolganov show that the methodology of classical Marxist analysis, involving an ascent from the abstract to the concrete, is able to demonstrate the causes of this crisis and to reveal its nature.

The starting point is the classical Marxist thesis that commodity production, with its inherent anarchy, holds within itself the potential for crises, though not yet the necessity. As applied to the study of the latest crisis, this means that the processes of *deregulation* and *desocialization*, developing vigorously in the period of neoliberalism, have unleashed forces of market anarchy that were previously restrained by a developed system of state regulation, and that these forces have *opened up the possibility of crisis*.

In the view of Buzgalin and Kolganov, *the inevitability of the crisis was conditioned by the dead-ends resulting from the over-accumulation of capital—above all, of fictitious financial capital*. First, capital that had become over-accumulated in the real sector spurred an expansion of the process of financialization. This over-accumulated capital then spilled over into financial and other speculation, the production of simulacra and so forth. Eventually these areas in turn became over-full, and the debt economy entered inevitably into crisis.

Among the other contributions to political economy made by Aleksandr Buzgalin and Andrey Kolganov, their analysis of the basic measures and contradictions of *globalization* deserves to be mentioned. In examining globalization, the two authors draw a strict distinction between the objective processes of integration in the fields of technology, production, communications and so forth, and the specific historical form these processes have assumed—that is, the hegemony of global capital. In their view the first—objective—process can and should develop, while the second, which has grown particularly intense in the period of neoliberalism,

can and must be ended in the process of moving toward the model of integration proposed by alterglobalism (Buzgalin 2006).

In their studies of the *contradictions of globalization*, Buzgalin and Kolganov propose a modern Marxist politico-economic approach that reveals many little-known aspects of the much-noted contradiction between the global nature of the market and the national character of its regulation. At the same time, they examine the new quality of the contradiction between labor and capital. In the view of these authors, the essence of this latter contradiction lies in the fact that to nationally isolated, atomized, dispersed and qualitatively diverse labor, globalization counterposes united, transnational capital, whose global representatives (the trans-national corporations) control the entire global space with its diverse countries, and are represented by powerful supra-national regulatory organs (NATO, the WTO, the IMF etc.) and by supra-national state structures (such as the super-power USA, the European Union and so forth).

According to Buzgalin and Kolganov, the real and progressive alternative to the present-day global hegemony of capital cannot be found in the isolationism of national states, but must be sought in alterglobalism. The key components of the positive program of this social current are set forward by the authors in simple fashion: different “rules” (that is, social, environmental and humanitarian priorities of economic development) for different “players” (above all, institutions of “economic solidarity”). The authors, as they themselves point out, are not rendering any particularly new service in formulating this position. The service they perform in this area consists in their proposing a sort of *political economy of alterglobalism*. Within the framework of the latter Buzgalin and Kolganov point to the specific foundations and causes of the rise of the alterglobalist movement, systematizing its principles and *differentia specifica*, while revealing its contradictions and indicating how they can be resolved.

III

A logical continuation of the research by Aleksandr Buzgalin and Andrey Kolganov into the political economy of modern-day capitalism is their analysis of the economic system of the USSR and of post-Soviet Russia. In their works on the economy and society of the Soviet Union (Buzgalin 2004b, 2013; Buzgalin and Kolganov 2012), the authors stress in particular that an important motive for them to address these questions has been a turn they have made in recent decades to studying the experience of China. Also of relevance have been repeated dialogues they have engaged in with Chinese scholars.

In their books Buzgalin and Kolganov present their hypothesis of mutant socialism—an original view that explains the causes of the rise and decline, and

also of the achievements and contradictions of the Soviet economy. The authors proceed from the proposition that *the causes of the rise and decline of the Soviet system were in essence the same*.

In the view of the authors, the *system of “real socialism” did not appear by chance*. It was a response to the challenge represented by the “*trap of the 20th century*,” when new social relations were bound to arise because of the acuteness of the socio-political contradictions, but when these new relations could not take on adequate forms due to the inadequate development of the technological and cultural basis.

It was the *trap of the 20th century that brought about the rise of “real socialism,” and that became the cause of its downfall*.

The outcome was the rise of a system adapted to the conditions of industrialism and of harsh military confrontation. From the moment of its birth this system was unable to meet the objective challenges to the new society, challenges posed by the conditions that pertain to the rise of a post-industrial system. The Soviet system could exist successfully only in the previous conditions. The necessity of making the transition to a new economy led to an objective need to qualitatively alter the Soviet system, but for socio-political reasons, carrying through this change proved impossible in the USSR and the countries of Central and Eastern Europe.

Nevertheless, the experience of the USSR showed in the first place which of the paths of transition to a new society finish up in dead-ends, and which can act as the first green shoots of a new system (learning how to make these green shoots more nearly universal is something which scholars have still to achieve).

In the view of Buzgalin and Kolganov the experience of the USSR, with its shortages and GULAG on the one side, and its first-rate culture, science and education on the other, in some ways resembles that of 15th-century Italy with its inquisition, civil wars and High Renaissance. In both cases the attempts to make the transition to a new system (in one case socialist, in the other capitalist) were accompanied by horrifying mutations (wars, and political and ideological terror), and ended in defeat. But without the Renaissance neither the culture nor the economy of the modern era could have come about.

The objective preconditions for socialist transformations, and the first steps in this direction that were associated with the undermining of the relations of alienation at the end of the second millennium, were altered substantially by the profound internal crisis and then collapse of the initial (mutant) forms of socialism in the USSR and the countries of Eastern Europe. During the 1990s a new, post-“socialist” reality appeared in the world (the term “socialist” here, in inverted commas, refers to the real social relations and ideology in the countries of the “world socialist system” and to the corresponding left organizations in other countries). It is in this new world context that we can and should analyze the

prospects for transitional social formations. The key to understanding their nature is thus the question of the *nature of the system that was established in the countries of “real socialism” during the 20th century.*

As has been noted, the main proof of the many-sided crisis of this “socialism” lies in the fact that the system collapsed in the USSR and in the countries of Eastern Europe. The reason for this collapse was above all the fundamental incapacity of the system—but not of socialism in the scientific sense of the word—to ensure a higher productivity of labor than capitalism, and a greater scope for the free, rounded development of the human individual. Important evidence of this crisis included an abrupt decline in the global role of the left; stagnation in the theory of socialism; and a lessening of the ideological influence of socialist concepts. The central reason for this state of affairs (but not the only reason—the global hegemony of capital must not be forgotten) was the nature of this “socialism” itself.

The essence of this former system can be summed up briefly using the category of “mutant socialism” (Buzgalin 2004b, 2013). This refers to the variant of the social system—a dead-end in the historical sense—that featured in the first phase of the world-wide period of transition from capitalism to socialism. While breaking out of the bounds of capitalism, this social system did not result in the formation of a durable model that could serve as the basis for a subsequent advance to communism.

It should be noted that the authors, while debunking the myths about the USSR (Buzgalin and Kolganaov 2009b, 2012), at the same time stress the enormous positive potential of the Soviet socio-economic system, a potential which represents a summons to the development of the economy of the future. Among the main elements in the *positive practice of the Soviet system* should be listed the successful planning and implementation of massive long-term projects (from the revolution in culture to the conquest of space); the creation of a developed system of social priorities (above all, social welfare, along with generally accessible, high-quality systems of education, health care, culture and so forth); the shaping of a new type of personality, a process in which such stimuli as participation in the joint creation of a new society (the “enthusiast” movement, and collectivism) played a substantial role alongside monetary incentives; the provision of meaningful work that conferred social dignity; self-development of the personality, and much else.

In completing their study of the political and socio-economic system of the USSR, the authors conclude that there were no decisive technical or economic reasons for the collapse of the Soviet Union. On the eve of the Gorbachev reforms, the Soviet economy was close to stagnation and suffered from major internal contradictions whose resolution needed to be a strategic priority. But these problems were not sufficient in themselves to explain the rapid collapse. The substantial socio-economic and politico-ideological contradictions (“the

economy of shortages” when combined with the consumer orientation of most of the population; the exhaustion of social creativity; the repellent effect exerted by an authoritarian politico-ideological system on a highly intelligent society, and so forth) required qualitative changes. These needed to follow the path either (1) of a radical renewal of the socialist project and of an end to the mutations of socialism, or (2) of pro-capitalist reforms, which could proceed either (2a) gradually, or (2b) along the lines of “shock without therapy.” The domestic and international socio-political context, together with the subjective factor, determined that the variant realized in actual history would be (2b), and that it would proceed according to an extremely brutal and ineffective scenario.

A continuation of the research by Buzgalin and Kolganov into the socio-economic nature of the USSR is to be found in their studies of the **post-Soviet economic system** (Buzgalin and Kolganov 1994, 1996a, 1996b, 1996c, 2002, 2003; Kolganov 2013). The authors show that as a result of the factors indicated above, the destruction of the Soviet economy led to a “*negative convergence*”—to a combining of the negative features of the Soviet and capitalist economies. From the USSR, post-Soviet Russia acquired bureaucratized, corrupt, semi-authoritarian state interference and a high level of monopolism, and from capitalism, high levels of social differentiation, ferocious competition (to the point of criminal savagery), and an asocial trajectory of development.

The *anatomy of Russia’s “Jurassic Park” capitalism* that is suggested by the authors follows the methodology outlined above, and reveals the specific nature of the mode of coordination inherent in this system (mutations of a highly monopolized market together with concealed state regulation). Also revealed are the property relations that were involved (clan-corporate exploitation within a framework of both state and private corporations, presupposing not just the “classic” appropriation of the surplus value created by workers, but also rents derived from raw materials and administration), and the economic dynamics of the new system (restoration over 20 or so years of the level of output reached by the RSFSR in 1991, and mainly as a result of extensive growth based on a favorable conjuncture for energy sources and raw commodities).

As an alternative to the global hegemony of capital in general, and to Russia’s “Jurassic Park” capitalism in particular, Aleksandr Buzgalin and Andrey Kolganov look to the founding of a new postcapitalist society.

IV

In works focused on the **political economy of the socialism of the future**, a number of them translated into English, Spanish, Chinese, Japanese and other languages (Buzgalin 1998a,b, 2004a,b, 2013), Buzgalin and Kolganov show that

the main theoretical problem faced by such a study is *not only* (1) *the decline of the capitalist mode of production* and the genesis of a new, more progressive mode of production (in Soviet textbooks this was described as communist, and socialism was characterized as its first phase; in the present text the argument that describes socialism as a specific mode of production will not be addressed). The overarching question to be confronted is **(2) the ending of the entire system of relations of social alienation characteristic of the “realm of [economic] necessity”** (Buzgalin 1998a,b; Buzgalin and Kolganov 2009a). In the first case, the main question involved in the advance toward socialism is that of ending the exploitation of hired labor by capital and of making the shift to the appropriation of surplus value by a society of workers. But in the second case the scale of the problem is much greater. The researcher is faced with the question of the dialectical sublation of the market and capital—of how an end might be put to state-bureaucratic power and extra-economic compulsion, to the division of labor and to the alienation of the human individual from nature, to the opium of religion and to ideological subjugation. In this case questions relating to the social appropriation of surplus value and of the means of production become merely one of the parameters of the socialist transformation. *The statization of economic and social life is not in itself evidence of progress on the road to socialism.*

This is a way of posing the question that is substantially different from the orthodox version of Soviet Marxism, but which is adequate to the whole range of the works of Marx himself and to the development which Marxism underwent during the 20th century within the framework of critical Marxism both in the USSR and abroad. Proceeding from this, Buzgalin and Kolganov show that the contradictions of the modern epoch create the material preconditions needed for the genesis of the “realm of freedom.” At the same time, they demonstrate that as a process, *the dying away of the relations of alienation cannot fail to be (a) drawn-out, (b) non-linear and (c) international.* This is the process that we also designate using the word “**socialism.**”

Using this approach, it becomes possible to critically sublimate and develop the traditional linear understanding of socialism which regards it as no more than the first stage in the socio-economic process of creating communism (orthodox Marxism), or as no more than a system of values which may in part be realized within the framework of “post-classical” bourgeois society through the means of reforms (social democracy).

If the birth of a new society is viewed as an international global shift in the history of humanity, socialism can be characterized as much more than a stage in a socio-economic process of formation. Breaking with the conventional view, Buzgalin and Kolganov understand socialism as the process of transition from the epoch of alienation to the “realm of freedom” (communism), a process which

includes revolution and counter-revolution; as the first green shoots of the new society in particular countries and regions, shoots that die back and appear afresh; as social reforms and counter-reforms in capitalist countries; and as waves of the progress and decline of various movements, both social and in the proper sense socialist.

The non-linearity, contradictoriness and international character of these shifts comprise the specific nature of socialism as the birth process of a new society on a global scale.

It is also very important to note that the authors present an original viewpoint on the question of the relationship between socialism and the market (Buzgalin 2004b, 2013).

On no other question is there as much contention among socialists as on this. In order to resolve it, the authors consider, one has to proceed not only from theoretical constructs, but also from the contradictory experience of the USSR.

In the first place, the USSR showed that it is not only the market that can bring about economic development, but also economic planning. It was precisely because of planning that the USSR was able to implement structural shifts of immense scope. The electrification plan, calculated to take more than 15 years, made possible a huge leap in the particular area of technology which in the 1920s was rated as the most advanced of all. The planned concentration of resources in key fields allowed the development of fundamental science, of a powerful military-industrial complex, and of education.

Secondly, in the USSR under the New Economic Policy mechanisms for indirect economic regulation were set in place (this was in the 1920s, ten years before Roosevelt's "New Deal," and was virtually the first time this had been done on so large a scale in a *peacetime* economy). In the USSR during the NEP period the core of the productive mechanism consisted of large state enterprises with particular economic significance that were assigned long-term planned tasks, and which were provided with resources and investment funds. Beyond these enterprises lay a sector in which firms were not assigned tasks, but were included in the orbit of indirect state and social regulation. Finally, there was a sphere in which enterprises (for the most part small or medium-sized) acted mainly on the basis of the market conjuncture. This experience too, of *employing market principles to varying degrees in different sectors of the economy*, is of fundamental significance for the socialism of the future. For the economy of the 21st century, a further element is gaining in importance: measures aimed at making use of market principles in areas where unrestricted goods—that is, goods which are social by their very nature—are created, distributed and used. Both the experience of the USSR and the modern-day struggles by new social movements and non-government organizations (alterglobalists) demonstrate that in the society

of the future these spheres (of education, science, culture and health care) can and should be constructed primarily on a non-market basis.

Thirdly, the experience of the USSR during the Stalinist epoch and in the subsequent period shows that attempts to bureaucratically suppress the market merely give rise to an economy of shortages.

This coin, however, has another side. Aleksandr Buzgalin and Andrey Kolganov insist that the market is a form of commodity production, and therefore not a socially neutral mechanism but a historically concrete set of productive relations. The market creates interactions of a specific type between individuals (the dominance of private interests, and competitiveness); a particular system of values (commodity and money fetishism); and so forth. Moreover, the market under modern conditions is becoming a function of large private and state corporate capital, and as a result, an all-encompassing mechanism of global power that subjugates all areas of vital human activity to itself, while orienting people toward the production and consumption of commodity-simulacra on an ever greater scale. As a result, the politico-economic research which Buzgalin and Kolganov have carried out on the nature of the modern-day market allows them to argue in favor of a number of additional conclusions that bear on the socialism of the future.

Here, the authors' disagreement with several theses of Deng Hsiao-Ping is of interest, and may become the object of a polemic. Deng stated at one point: "It doesn't matter what color the cat is, so long as it catches mice." In other words, it is not important whether a "red" or "white," a socialist or a capitalist economic mechanism is used; the important thing is whether this mechanism is effective in developing the economy. Buzgalin and Kolganov suggest a different analogy, which they voiced during a visit to China: the market is not a pussy-cat, but a tiger. A tiger is not only capable of catching mice, but also of eating anyone who tries to ride it. The question thus becomes: *under what circumstances does the market-tiger eat the "rider," that is, devour socialist tendencies, and under what circumstances does it not?* In the view of the authors, again, the market is not a neutral economic mechanism, but a system of economic and social relations founded on the isolation of human beings and on competition between them. The market inevitably gives rise to a powerful differentiation, with the growth of capital at one pole and of hired labor at the other. It tramples on the socialist reference-points of free development of the personality, and implants alienation, commodity and money fetishism, and consumerism, since *an attempt to turn the market into a purely socialist mechanism of development is the same thing as trying to force a tiger to eat grass.*

The authors formulate the dilemma as follows: without the market you get Stalinist terror, but with the market you face the danger of forgetting socialist goals, of evolving toward the creation of capitalism beneath socialist shop-signs.

On an abstract level, Buzgalin and Kolganov see the answer as follows: socialism can and must progressively cultivate conscious regulation and planning, advancing from the simplest forms of accounting, control and indirect regulation to planned long-term programs. This regulation and planning must of necessity be democratic. It is necessary to make use of the market, while restricting or excluding it only to the degree that more effective forms develop—that is, to the degree to which regulation and planning become more effective than the forms of the market. Here, however, it must be remembered: unless you exclude the market step by step through the use of conscious regulation, you will never advance in the direction of socialism. The market is only one among the mechanisms that are necessary (*to a degree!*) and that must be applied. Moreover, it is a very dangerous mechanism when used to excess. Therefore, it is extremely important to define the goals and priorities of your strategy. At present, the areas of strategic priority include high technology, medicine, science and above all, continuous education, aimed at developing and using the personal creative potential of every human individual.

* * *

The brief sketch offered here of the politico-economic views of Aleksandr Buzgalin, developed in constant dialogue with Andrey Kolganov, goes nowhere near exhausting the range of the work these scholars have conducted. It is to be hoped, nevertheless, that this account gives an idea of the main thrust of their research—that is, an attempt to construct an integrated system of political and economic knowledge which combines (1) a dialectical historico-materialist method of study; (2) a system of categories, created through the use of this method and depicting the content, contradictions, and historical futility of the productive relations of modern-day global capitalism (and especially (3) of its Russian variant); and (4) the objectively growing trends that point to the possible features of the socialism of the 21st century, while also providing an explanation on this basis of the nature of the Soviet system and of the causes of its rise and decline. Finally—and this is something of fundamental importance—these theoretical elaborations serve Buzgalin and Kolganov as a foundation for proposing a soundly-fashioned path to resolving important contradictions, and for drawing up political-economic documents for Russia (a “Strategy for Accelerated Development” concept, a model for cultural leadership, and others; Buzgalin 2012) while working on a positive program for the alterglobalist movement (Buzgalin 2006).

This is why critical Marxism serves the authors not only as a basis for explaining the existing state of affairs, but also for critically transforming this reality. In this respect the activity of Aleksandr Buzgalin conforms fully with a famous precept

of Marx, who in his *Theses on Feuerbach* formulated the great imperative of the scientific Marxist: **not only to explain the world, but also to change it.**

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