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The Inevitability of Change

The balance sheet of 1996 did not justify the expectations of the optimists in the government camp nor of the pessimists in the opposition. Russians had been promised an economic upturn by the end of 1992, but even by the end of 1997 it still had not started. There was no increased output, not even the 1–2 percent that some of the more cautious economists had predicted. On the other hand, the economic or financial crash that many oppositional economists predicted did not happen either, nor did the social explosion that many had feared.

The government's only major achievement was to reduce inflation to 1–2 percent per month. This strengthened confidence in the ruble, and some citizens, cautiously, began using the services of the central savings bank again. The strengthening of the financial system, however, led neither to increased investment nor to a repatriation of funds the business elite had converted into foreign currency. The Gross Domestic Product declined by 5–7 percent. Only one-third of capacity was being utilized in processing industries. Unemployment grew, as did Russia's foreign and internal debt, while the gold and foreign currencies reserves of the central bank were reduced by one-third.

The scourge of the economy continued to be delayed payment of wages and benefits on a massive scale. Tens of millions of people were not paid on time; factories and the army delayed payment of their bills for fuel and electric power; in many sectors payment in kind replaced monetary exchange. The 1996 budget was not met, for either income or expenditures. Taxes were so high (100–200 percent of profits!), and there were so many of them (more than 200), that virtually every economic entity in one way or another avoided paying them. Only the "shadow economy" continued to grow. Economic indicators for commercial banks grew worse, and hundreds of credit institutions ended the year with losses. Several dozen banks failed, including some large ones, like the Tver Universal Bank.

After the elections, Yeltsin and the government canceled many decrees that had been put into effect during the first half of 1996. Of the 12 trillion rubles that were supposed to come into the government's budget as a result of privatization, only about one trillion were received by the end of 1996. Agricultural production in Russia declined during the year by 6–7 percent. Plans to ship necessary goods and resources to northern parts of the country were not fulfilled. The number of poor people increased during the year, and their poverty deepened. Even the wealthy did not increase their income significantly.

The government's budget and economic projections for 1997 aimed only at small or partial improvements, plugging the worst leaks and catching up on unpaid wages. The government had neither the resources nor the imagination for any major change of direction.

Outside government circles, many proposals were made for bringing the country out of its crisis, including a variety of "breakthrough strategies" elaborated by business groups. All these programs and proposals required a sharp turn in economic and social policy—new priorities and new directions. They had many features in common: for example, they advocated reestablishing many of the previously existing instruments of government regulation, and in many cases urged direct government management of a substantial part of the economy(monopoly-dominated areas), much of the military-industrial complex, and, especially, large enterprises and some transport systems. In other words, the affected areas were those where regulation by the market based on private ownership had proved unworkable or inefficient.

All the new programs advocated rational and effective conversion of part of Russia's military industry, the utilization for Russia's economic development of the advanced technology achieved in the military-industrial complex, the millions of highly skilled workers employed there, as well as its engineers, draftsmen, and scientists, and its social infrastructure. To this day significant opportunities for Russia's military-industrial complex exist in the markets of Third World countries, especially Arab and Islamic countries, but they are going to waste. There is also underutilized potential for rational collaboration and cooperation with China and India.

All the new programs advocated support for and intensification of economic integration within the framework of the Commonwealth of Independent States, and partly within the former Council of Mutual Economic Assistance (Comecon). The single economic space that had been destroyed needed to be rebuilt wherever it was possible and advantageous for all partners.

All the new programs provided for rational regulation of imports and exports, and an end to those that were proving harmful. There should be no large-scale importing of products that can be produced just as well, given some state subsidies, by native industry and agriculture.

All the new programs envisaged revision and correction of the most harmful and illegal instances of privatization. On the other hand, they favored support for rational and legal commercial agreements, including joint ventures, that were advantageous.

I will not list all the various proposals for extricating Russia from its present crisis. Some of them were even advocated by the Yeltsin government, but it had neither the motivation nor the means for putting them into effect. These proposals included government support for small- and medium-sized business, reducing taxes and straightening out the tax system, restoring the government monopoly on the sale of alcohol and tobacco, government support for science, culture, and education, and suppression of gangsterism, especially in its most dangerous forms.

One thing must be made clear: any serious change of economic and social policy would require new people, a new leadership team. Neither Yeltsin and Chernomyrdin, nor Chubais and Lifshitz, nor Potanin and Ilyushin could introduce and carry out new reforms that would avoid either a return to the stagnation of the administrative-command economy or a continuation of the present policy of unre-

strained market madness (*bespredel*) and the semi-colonial plundering of Russia. There are also many doubts about the ability of the CPRF's shadow cabinet to do what is needed in this regard. The CPRF cabinet consists almost entirely of people who were active in the Soviet political and economic system as early as the 1980s but failed to distinguish themselves.

A change of economic policy, then, will require a change of leadership. It is hardly likely that such changes will happen automatically. Political pressure from the population will be needed. It exists and is growing, but slowly. Several times boundaries have been crossed that many observers thought would result in a social explosion, but—to the surprise even of those in power—there has been no such explosion. Of course no one desires a blind, undirected social outburst. Any political or social cataclysm could lead to unpredictable and serious consequences. But there do exist in our country social and political mechanisms through which the people can rather clearly express their discontent, their desires, their demands.

Why has this not happened? How has the Yeltsin regime succeeded in winning most of the elections so far? I have already indicated some of the reasons, having to do with our past totalitarian heritage. In addition to those, however, some other considerations having to do with the real situation today need to be taken into account. Below I list some that are evident on the surface.

The Unevenness of Economic Development and Depression

The deterioration of the economic situation in the 1990s occurred everywhere, but to different degrees in different areas. It all depended on such factors as the economy of a city or region, the policies and prestige of local authorities, and the geographic location of a region. Instability in Vladivostok and the Pacific maritime region was combined with relative stability in the neighboring Khabarovsk region; life proceeded more calmly in Lipetsk than in Bryansk; the food situation was better in Ulyanovsk province than in Sverdlovsk; in Tataria things were more stable than in the Komi region.

The general opinion is that things are better now in Moscow than in St. Petersburg. In 1991 the situation in Moscow was very bad, which contributed to the downfall of Gorbachev. They remained bad during 1992, which sharpened the conflict between the Yeltsin-Gaidar

government and the Russian Supreme Soviet in 1993. There had been an unwritten law—observed even under Stalin—to keep the material situation as favorable as possible for the population of Moscow and the Moscow region.

Revolutions have often begun in capital cities. We think of Petrograd in 1917, Paris in 1789, Budapest in 1956, East Berlin in 1953 and 1989, and Prague in 1968. Control of the capital usually means control of the country. In the absence of a strong revolutionary movement in the capital, radical movements in other cities find it difficult to succeed. Peasant wars have followed a different pattern, but in industrially developed countries the role of rural regions and the rural population cannot be very great.

The Absence of Inspiring Ideas and Slogans

In early 1996 Yeltsin called on politicians and scholars to come up with an idea that would be unifying for all of Russia. There were many suggestions, and the pro-government newspaper *Rossiiskaya Gazeta* announced a contest with a prize of $2,000 for the best slogan (not very much for such an important item). A true "national idea" could hardly be produced by such a contest. On the other hand, if the government had no unifying idea, neither did the opposition, then or now. Various opposition groups proclaim their own ideas and call for the defense of "sacred values." But calling for a return to the "rosy past" is no more inspiring than appeals based on the prospect of a "rosy future."

Mass protest actions have occurred around such relatively limited ideas and slogans as "Give us back our savings," "Pay us on time," "Pay us our pensions." But these are not slogans than can unite an entire nation.

Politically Active Retirees and Politically Passive Youth

Older people have taken the most active part in mass opposition demonstrations; youth have hardly participated at all. Political passivity is also typical of university students today. There are many ways, none too burdensome on the budget, to distract young people from politics, and the Yeltsin regime has used all of them. In comparison to the totalitarian era, young people today feel relatively free. Russia's material difficulties are more easily overcome by those who

are young and strong. But revolutions have historically been the work of the youth. Without participation by the young neither the left nor the nationalist opposition can expect success.

The Rural Population: Primary Support of the Opposition

In the 1996 elections the rural population was more active than the urban working class, and those working on the land supported the CPRF opposition more than did those in the major industrial centers. This can be explained only in part by the economic situation, which was worse in the countryside than in the cities. There is a greater differentiation of the population in the cities, and more distractions from politics; also, government propaganda seems to have more of an impact there. Attractive imported goods flow mainly to the cities. Urban residents are more dependent on a complex life-support system that could be disrupted by mass upheavals—public transportation, municipal heating systems, water supply, gas, electricity, shopping. The structure of modern urban life is quite fragile: millions of city residents depend on elevators, buses, telephones, the subway. Under such conditions, the capture or destruction of government buildings would solve nothing, and the anarchy that would accompany any revolution in its early stages frightens urban dwellers much more than rural inhabitants.

The Absence of a Political Vanguard

In Russia today there are many opposition parties, but the positions held by most of them are relatively moderate. This is true of the CPRF as well. The radical parties have very little influence. There are no firm ties between any party and the masses of workers. Ideas about changing the existing system by force, once so popular, have now lost their attraction for most people in the advanced industrial countries. Other political ways of changing the nature of power have only begun to take shape in Russia. Real political parties, whose policies and tactics could prove adequate to the situation, are also only in their formative stages.

Social Safety Valves for Public Discontent

The enormous potential of social discontent and the great energy of protest have been dissipated to a large extent by a multitude of social

safety valves. Most of these have come into existence of their own accord, but some have been supported by the Yeltsin government, which quickly recognized the role that such safety valves could play.

One of the main safety valves has been *the freedom to trade*. In 1992 Yeltsin issued a decree making it possible to sell or buy whatever one wished wherever one wished. Official control over buying and selling was temporarily suspended. Later, some regulations were reimposed on commerce, but only partially. Even today one is permitted to sell things at a bazaar or on the street or at a subway entrance. Impoverished members of the intelligentsia sell their books and belongings, pensioners at subway stations sell cigarettes, vodka, canned goods, and in general everything that could be bought at the store right next to them. The huge number of sidewalk booths and vendors bring goods more directly to the consumer and provide employment for many. Millions of Russian, mostly between the ages of 30 and 50, are engaged in this form of commerce.

A second safety valve is *cheap alcohol*. Today a bottle of vodka costs no more than the equivalent of three loaves of white bread, whereas in 1970–1980 it would have cost the equivalent of 25 loaves. For the price of a kilogram of meat today one can buy two or three bottles of vodka.

Another important safety valve has been *private gardening*. The slogan "land to those who work it" has been carried out in truncated fashion. All restrictions on gardening and fruit growing have been lifted in the last few years, with the land used for gardens and orchards becoming the property of those who work it. Tens of millions of people provide a substantial part of their own diet from such gardens and orchards.

Freedom of Travel and Freedom of Emigration

These also function as social safety valves. The possibility of finding work in other countries exists for a significant section of the socially and intellectually active part of the population, especially the scientific and technical intelligentsia. Thousands of scientists and engineers are working under contract now in China and other countries, including Iran and South Africa. They remain citizens of Russia. Hundreds of thousands of others have left Russia permanently. Their preferred destinations are the United States and Israel, after that Germany. But

many former Russian or Soviet citizens can be found in Spain, Italy, Austria, and the Scandinavian countries.

Relative Freedom of Speech

When you can speak, write, or shout if you wish about a difficult situation, it no longer seems so difficult. One does not feel squeezed to the breaking point. Dissidence is no longer persecuted. The press publishes a great deal of critical material, and this gives a certain outlet for feelings of protest and dissatisfaction.

Relatively Democratic Elections

Participation in elections that are conducted according to fairly democratic rules reduces the level of protest and restrains the impulse of many to take to the streets. "After all, we elected this government," some say. Others say, "Wait till the next election. Then we'll show them."

The Role of the Opposition in Parliament

By moving debate from the open streets and squares to within the walls of parliament, the opposition's presence and activity in the Duma reduces the level of discontent by providing an avenue for its expression.

The Role of Television

"Bread and circuses," Ancient Rome's way of keeping the plebeians happy, has been adopted by ruling groups in the modern world. Television of course is not just an information medium but a source of entertainment and distraction for all strata of the population. It also provides unparalleled opportunities for manipulating public opinion. Most television time is devoted to entertainment and sports. The vast number of videos on the market, including pornographic ones, serve the same function—to distract people from real problems. To this may be added the proliferation of computer games and other entertainments inexpensive for both the public and the regime. So much for circuses. Bread, on the other hand, in Russia is still in short supply.

The Marginalization of Protest

In contemporary democratic society ethnic and class differences now play a different role. Children of workers, peasants, and poor people, if they are talented or strong-willed or have exceptional abilities, can rise into higher social circles or make careers for themselves. They can even be successful in business, although this is more difficult in the capitalist economy now taking shape. Nevertheless, capable and energetic people from the lower classes or from groups suffering national discrimination can find advancement and accomplishment in society and therefore do not join or stay in opposition movements. Thus, a substantial number of those who have been impoverished in the last few years are marginal types, people who are not very capable or energetic, and this significantly reduces the potential for an active and effective opposition movement. It is enough to compare the top leadership of the Russian Communist Party in 1917–1918 with the Communist leaders today. Zyuganov is no Lenin and Anpilov is no Trotsky.

The social safety valves enumerated above—and there are others—have undoubtedly reduced the level of social protest and left few prospects for radical opposition. But they have not removed the basic causes of discontent, which, in the absence of any real change for the better, is bound to grow. Pressure from the population will surely increase, although more slowly than the more impatient among us might like. Change is inevitable, difficult though it may be to say how long we must wait before it comes. The most successful opposition will be the one that can combine firmness and moderation, that can engage in massive, but nonviolent forms of protest and political pressure.

The regime has reached the limits of its possibilities, but its crisis may be drawn out for a fairly long time.

The year 1996 did not turn out to be the year of great change that many expected. Nevertheless, even those who today remain in power realize that the decline in production and in the standard of living must be stopped, the growth of crime and of dangerous illnesses must be stopped, the disintegration of our army, the plundering of our national resources, the collapse of science and culture must be stopped, as must the moral degradation of society. The first green shoots of healthy initiatives for change are to be encountered everywhere. They must be supported.

Russia's problems cannot be solved while disregarding its particular features and age-old traditions. On the other hand, our country's problems cannot be solved outside the context of current world events and trends, which are by no means as stable as one might wish. On the whole, in the mid-1980s the gross domestic product of the Soviet Union held second place in the world, after the United States. Today Russia's GDP lags behind that of Japan and China, Germany and France, Italy and England, even behind Brazil's. In per capita production of the most important items every country of Europe and many Asian countries now surpass Russia. Many other indices of economic development show Russia far behind the most advanced counties, and quite a few economists now call it "a great power of the second rank."

The latter definition is true only in part. In territory Russia remains the largest country in the world. Its resources are enormous, and a country's wealth cannot be defined only in terms of its current production. Reunification of Russia with Belarus and Kazakhstan is only a matter of time. This reintegration will inevitably include other countries of the former Soviet Union as well. Russia's special geographic position allows it to play a considerable role in the East as well as the West. In the production of the most advanced kinds of weaponry and space technology it maintains a level close to that of the Untied States, and it has accumulated great potential in many other scientific fields. Under intelligent leadership Russia could double and triple its industrial and agricultural production in a short time. To do so, Russia needs to free itself from the chimera of military supremacy in favor of a policy of reasonable military sufficiency and to build relations with other great powers on the basis of cooperation, not competition. Even without destructive confrontation between the great powers, the world is full of problems and conflicts that could destroy humanity.

The end of the century, the end of the millennium, is a time for prognoses. But making predictions is not a rewarding business, because they hardly ever come true. Various scenarios for the coming century could be sketched out, from the very worst, the destruction of humanity, to the most pleasing—abundance, prosperity, and cooperation among all countries and civilizations. All such scenarios could be based on existing trends and contradictions. Neither individuals nor countries can change their pasts, but they can make changes in the present that will have a positive effect on the future.

For Russia itself, many different kinds of predictions are being

made. Some speak of the possible disintegration of the Russian Federation, the possibility of a military dictatorship or another Communist dictatorship, or the development of a colonial-type economy and the persistence of a disastrous stagnation, prolonging the power and privileges of a new oligarchy. Others speak of the progress of democratic institutions and values within the framework of a new kind of socialism and a new ideology. In my opinion, the idea of socialism will not disappear so easily from the Russian consciousness and existence.

The causes and conditions that produced the socialist aspirations of the nineteenth century are well known. What people had hoped for from the socialist movement was that it would overcome economic anarchy and crises, cruel exploitation and poverty, oppression and disease; that the simplest needs, for food, clothing, and shelter, would be met for all; that wealth be distributed more fairly; that the contradiction between city and country, and between manual and mental labor be eliminated; and that the production of goods be faster and better regulated. In addition, it was believed that the free development of society as a whole could be guaranteed by increasing the productivity of labor, eliminating all forms of alienation, establishing equality for all, and ensuring the free development of each individual. Since the beginning of the twentieth century, hopes of freeing humanity from world wars and colonial dependency, from militarism and fascism, have also been linked with hope for the victory of socialism.

The kind of "actually existing socialism" that we had in the USSR, however, was unable to solve many of these problems. Yet for most countries and populations today, these remain burning issues. Many new problems have been added, the kind we call "global," the kind whose solution is hardly possible in a society where the chief motive for production remains maximization of profit and where the contradiction between social production and private appropriation persists in very harsh forms.

The insane arms race, especially the making of weapons of mass destruction, which continues even though the Cold War has ended, must be stopped. In our nuclear age such weapons remain a mortal danger. Terrorism, with the advance of science and technology, takes on new, more dangerous forms; it must also be stopped. The most crucial environmental problems—those of pollution of the world's oceans, destruction of the ozone layer, soil erosion, deforestation,

desertification, air and water pollution—can be solved only within the framework of humanity as a whole, through international cooperation, rational regulation, and self-limitation.

Global solutions are also required so that the world's limited natural resources and food resources can be used intelligently. One of the most difficult global problems is that of uncontrolled population growth. New diseases and epidemics, and the spreading drug trade, also represent global problems that are a threat to all. The contradiction between wealthy and poor countries, between the North and the South, is a continuing problem that must be solved. There are many new kinds of technology whose operations or effects cannot be limited to individual countries—nuclear power, genetic engineering, communications and information technology, space research, and new forms of air and sea transport. For all these problems to be solved, what is required is an atmosphere of good will and cooperation, fairness, social justice, and international planning—qualities that have been linked above all with the values of socialism.

Nationalism and xenophobia, religious and ideological fanaticism, imperialism, class or caste egoism—these can only hinder solution of the world's problems today. The moral ideas of socialism, of achieving a social ideal, of providing all people with access to a socially creative life are far more constructive. Many people today are saying that Russia can be made a prosperous country occupying its rightful place in the world only with new ideas that would bring the universal values of the Russian spiritual tradition together with the modern world in all its complexity, its many differing trends and perspectives.

The basic national idea for Russia cannot differ essentially from the ideas that are meaningful in the lives of other countries and nations. Russia's greatness is not such an idea, although we have nothing against Russia being great. If our understanding of such an idea can be expressed in one word it would be prosperity. Prosperity for all citizens, for our country, and for all the world. The most effective way to achieve that is through a new, humane, and democratic socialism.

In the late 1970s the Nobel prize winning economist Jan Tinbergen wrote: "A just social order can best be described as a humanist socialism, because its goal would be the establishment of equal possibilities within and between all countries, and at its base would lie universal human values" (Jan Tinbergen, *Reexamining the International Order*, Moscow: Progress Publishers, 1980).

A few years ago the former socialist premier of France, Michel Rocard, wrote along similar lines: "Four ideologies have left their mark on Europe in this century. Fascism lost the world war. Communism lost the cold war. But socialism and liberalism, which were born before this century began, will also outlive it. With the affirmation of moral values in practice and the new understanding of democracy, the inhabitants of Europe will undoubtedly vote in favor of the socialist project for the next century" (*Socialism of the Future* [Moscow-Madrid], no. 2, 1990–1992, p. 8).

I am convinced that in the coming century not only the nations of Europe but also those of all other continents will vote for socialism.