

1937/8 in the Socialist Party and the Socialist Workers Party

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Introduction

IN 1940 the Socialist Workers Party, the American section of the Fourth International, split in two over the issue of the defense of the Soviet Union during war. The minority, who wanted to abandon the policy of defensism, formed the Workers Party, which later became the Independent Socialist League. Over time many members of the WP/ISL developed new class theories of the USSR. The majority of the WP/ISL argued that the USSR was neither a bourgeois or workers' state, but could instead be termed bureaucratic collectivist; meaning that it had a collectivized economy and a bureaucratic ruling class. However there were many different theories of bureaucratic collectivism. Some members of the WP argued that bureaucratic collectivist systems were progressive compared to capitalism, others argued the opposite. Some argued that it was a transitory social phenomenon; others argued it could attain more permanence than such a formulation allowed for.

A useful way of understanding the way in which the various bureaucratic collectivist theories developed and contrasted over time is to look at the relationship of such theories to the wider framework of analysis of the USSR put forward by Trotsky. The 1937/8 debate on the class nature of the Soviet Union within the SWP is an interesting example of this, although the idea of bureaucratic collectivism is not itself raised. James Burnham and Joe Carter presented an amendment to the founding conference of the SWP in 1937 disputing Trotsky's analysis of the USSR as a workers' state. Burnham was part of the minority in 1940 that eventually formed the WP, although he dropped out of Trotskyist politics soon after this. Carter became one of the most influential figures within the WP/ISL. However, in 1937 he had not rejected Trotsky's framework of understanding the Soviet Union. My purpose here is to demonstrate this, and also to show how operating within Trotsky's framework ensured that his 1937 ideas were quite different from his 1940 ones. The 1937/8 debate is often regarded as merely a precursor to the 1940 split, when in reality the relationship between the two is more complex. A more accurate understanding of the ideas advanced in 1937 can help us better understand the development of bureaucratic collectivist theories, which are an important part of the history of Trotskyism.

Carter's 1937 theory was not his later theory in embryonic form. If we consider his later theory as a jigsaw puzzle then we can see some of the pieces were clearly present in 1937. However, they were surrounded by pieces that would later be removed, or they were in a different position relative to each other. Thus the overall picture was quite different, although some elements would remain. One such element was the idea, discussed later, of the distinction of the forms of proletarian and bourgeois power. This idea made little sense in the bigger picture of Carter's 1937 writings, but would become a crucial part of his later theory when put into a different theoretical context.

I will therefore set out Trotsky's framework for analyzing the USSR, before moving on to describe the positions taken in the 1937/8 debate in the Trotskyist movement. The first section demonstrates the basic propositions of Trotsky's analysis of the USSR, as put forward in *Revolution Betrayed*. The second section details the Burnham/Carter amendment to the 1937 SWP document on the USSR, which started the debate. I also here describe the response to this amendment by both the majority of the party and by Trotsky himself. The third section covers Burnham's and Carter's respective answers to Trotsky's attack. Carter's answer is presented in detail as it represents the bulk of his position at the time. The final section briefly sets out, largely for the purposes of context,

a separate critique of Trotsky's views on the USSR, which was also presented to the SWP in 1937/8.

James Burnham left the WP and Marxist politics, after the 1940 split and from this point his theories on the USSR were of far less relevance to the development of the ideas of the WP than Carter's were. Burnham's 1937 ideas are of less importance to a study of the Independent Socialist tradition[2] than Carter's 1937 ideas, and receive considerably less attention here as a result. This is not to suggest they were of less importance in the debate at the time. Carter's 1937 reply to Trotsky, discussed in some detail later, is a crucial text of pre-history of the WP/ISL tradition. It is essential to analyze the changes to Carter's position over time and the impact those changes had on those involved in debates and discussions with him. Burnham's ideas, whilst important in their own right, are not of such importance to that project.

Trotsky on the USSR

IN *REVOLUTION BETRAYED* Trotsky characterized the USSR as having made great advances due to the economic base established by the October Revolution.[3] However the anti-democratic bureaucracy and incompetent leadership ensured those advances were held back and their full potential not realized.[4] The property forms of nationalized property were necessary for the USSR to be considered socialist, but: "it is exactly for the Marxist that this question is not exhausted by a consideration of forms of property." [5] For the entire of its life the USSR, argued Trotsky, had been subject to contradiction:

The state assumes directly and from the very beginning a dual character: socialistic, insofar as it defends social property in the means of production; bourgeois, insofar as the distribution of life's goods is carried out with a capitalistic measure of value and all the consequences ensuing therefrom.[6]

The bureaucracy had no independent program in this analysis, but instead was the natural offshoot of still continuing social struggle between the bourgeois tendencies and the remnants of workers' power. As such the bureaucracy was marked by its conservatism and inertia, both at home and abroad.[7] The international objectives of the bureaucracy were only to ensure the stability of its borders against capitalist attack, but it did this poorly; without concern for the international working class. Within the USSR, Trotsky contended, the bureaucracy would likely fall, either to the bourgeoisie re-establishing private property or to the proletariat taking back its political power. If the bureaucracy did not fall then it would itself end nationalized property:

The victory of the bureaucracy in this decisive sphere would mean its conversion into a new possessing class. On the other hand, the victory of the proletariat over the bureaucracy would ensure a revival of the socialist revolution. The third variant consequently brings us back to the first two.[8]

The necessarily incomplete and backward development of the USSR, according to Trotsky, meant that: "Two opposing tendencies are growing up out of the depth of the Soviet regime." [9] This contradiction was likely, as he saw it, to be resolved on the global scale during the coming war. If Germany were to defeat the USSR, capitalism would be restored. If the USSR were to defeat Germany, then world revolution would be the result, and in fact the only way in which such a defeat could occur.[10] The culmination of this analysis was the program of necessity of political revolution in the USSR, against the bureaucracy, in order to stop capitalist restoration and continue the October Revolution.[11]

Trotsky's characterization of the ongoing struggle in the USSR was therefore one of capitalist restoration, with the imminent possibility of a world revolution. That revolution would reach even the U.S., Trotsky argued, and the struggles would be fierce. He postulated "a third term for Roosevelt is absolutely excluded" as fascism would inevitably rise if the proletarian revolution did not overcome it first.[12] He certainly did not expect to see the Soviet Union survive the Second World War. The virtues and drawbacks of this analysis do not concern me here. What is of interest is instead the way in which those who disputed his theory often did so from within its general outlook by accepting these key propositions. Even when disputing Trotsky's conclusion that the USSR was a workers' state Carter did not dispute the idea that the struggle within it was one of the proletariat against the bourgeoisie. The bureaucracy's program was therefore one of capitalist restoration, and its rise was largely "conjunctural." [13] Understanding which parts of this analysis were accepted and which were rejected is crucial to understanding the political conclusions reached.

A Tentative Enquiry

THIS SECTION EXPLAINS the first criticisms of Trotsky's analysis offered by Burnham and Carter in 1937, in the form of an amendment to a motion to the founding conference of the Socialist Workers Party, from December 1937-January 1938. The discussion around it occurred within the Socialist Party, which the Trotskyists had entered at the time. This amendment is as interesting for what it does not say as for what it includes. Burnham and Carter still operated within Trotsky's framework to such an extent that they did not dispute the need to call for defense of the USSR. They still saw the struggle in the USSR as one of capitalist restoration, and this helps explain the differences between their 1937 conclusions and their 1940 conclusions.

In the late 1930s there was an "outbreak," in Draper's words, of theories on the USSR in and around the Trotskyist movement denying that it was a workers' state. It is unclear exactly what influence that had on the American Trotskyists. Bruno Rizzi wrote *The Bureaucratization of the World* through 1938 and 1939; however this had little impact on the U.S. Trotskyist movement. Their first encounter with this work was when Trotsky used it to attack the minority's position in 1940, as Sean Matgamna has shown.[14] Other criticisms of Trotsky's theory on the USSR had been published in the United States. Yvan Craipeau's attacks on the degenerated workers' state theory were known to the American movement, primarily through Trotsky's reply to them. At the same time Burnham and Carter "had both been independently drifting towards a similar position" against the degenerated workers' state theory, as Carter later recounted.[15] Burnham presented his amendment to the majority motion on the USSR in November 1937 and Carter decided to sign it.

The Burnham-Carter amendment is interesting firstly as it is only an amendment - it does not offer a distinctly different political perspective to the original motion. In fact it deletes very little of the motion; only section 18 on the economic foundations of the Soviet state. Section 18 states: "the basic economic structure established by the October revolution has remained substantially unaltered."

The section continues:

To the extent, therefore, that the nationalization of the means of production and exchange... remain basically in effect, the Soviet Union retains the socioeconomic foundations of a workers' state.[16]

Here the resolution follows Trotsky's line that the USSR represented a contradictory phenomenon on the verge of collapse in one direction or another. Whilst Burnham and Carter

dispute this, it is interesting to note that they do not do so from the position they would come to adopt in 1940. The conclusion of the motion, as amended by Burnham and Carter, remains the need for defense of the Soviet Union in war. In fact the replacement offered also mentions the idea that the nationalized economy is a step towards proletarian revolution in itself and therefore must be defended.[17] Whilst it was maintained by many of their critics that their position led to abandoning defense of the Soviet Union it is clear that Burnham and Carter did not have this intention. This can be seen in the brief controversy following Cannon's report of the convention for the party press, which stated:

The resolution of the National Committee, which calls for the unconditional defense of the Soviet Union against imperialist attack - a position which necessarily presupposes an uncompromising struggle against the bureaucracy in war or peace - was adopted by a vote of 66 against 3 for one minority position and 2 for another.[18]

Burnham responded with a motion to the SWP Political Committee:

That in Comrade Cannon's article appearing in the last issue of the *New International*, the section dealing with the vote on the Russian Question might be interpreted to mean that the "defense of the Soviet Union" was the point at issue between the Majority and the Minority.[19]

Cannon agreed to publish a correction to clarify the matter, and the subsequent *New International* featured a note from the editors denying that the Minority position disputed defense of the Soviet Union:

If the author has inadvertently made such an interpretation possible, he requests that it be corrected. The N.C. Minority resolution expressed itself in favor of defense of the Soviet Union from imperialist attack.[20]

Nevertheless Burnham and Carter's amendment rejected the idea that the USSR remained a workers' state. They accepted Trotsky's analysis that the Soviet Union, and its ruling bureaucratic clique, was a sharply contradictory social phenomenon. They agreed with Trotsky's historical analysis of the degeneration of workers' rule in the USSR, arguing that as the working class lost political power the bureaucracy had replaced it. As such the bureaucracy had for a time played a contradictory social role, progressive insofar as it supported nationalized property and reactionary insofar as it attacked nationalized property. In other words, their analysis of bureaucratic power followed Trotsky in framing the question in terms of capitalist restoration. Their argument was that the bureaucracy was no longer a "hindrance" to the fight of the proletariat against the bourgeoisie; it was instead explicitly a counter-revolutionary force. The contradiction inherent in the bureaucracy, they argued, had already been resolved.

In order for the proletariat to rule society they in fact have to be in charge of it, according to the 1937 amendment. Whilst the bureaucracy might once have fulfilled that role in an imperfect manner, the fact that it had become completely counter-revolutionary meant the class rule of the proletariat had been destroyed. Without such rule there could be no workers' state.[21] Crucially, Burnham and Carter's argument hinged on the hostility of the bureaucracy to nationalized property, as did Trotsky's. Effectively they agreed with Trotsky on the general framework of the problem; the direction in which the social forces and tendencies forced the USSR, however they disagreed on how far down this road it in fact had been forced. A key moment in the development of the later

bureaucratic collectivist theory of the WP was the break with this framework and the conclusion that the Soviet bureaucracy was not hostile to nationalized property at all. In 1968 Carter wrote to Draper that he had doubts on this score even in 1937:

I felt uneasy at the idea that the managers as a social group had an interest in denationalization; though it gave more weight to the interests of individual managers in that direction. I was even more uneasy with the idea of Stalin and his party having anything to gain by denationalization.[22]

How much weight can we give Carter's recollections, written thirty years after the events? Basic problems of reliability arise. How well did Carter remember? Even if he remembered correctly, how accurately would he wish these events to be recorded? With the benefit of hindsight it is much easier to have doubts about Stalin's denationalization agenda than it would have been in 1937, and this may be twisting Carter's recollection. Also the problem of selecting the right lens with which to analyze a theory applies to our own as much as those of other people. Carter's 1968 worldview and his 1937 worldview were drastically different, and making sense of his 1937 documents on the USSR from within the wider framework of his 1968 views would undoubtedly lead to distortions. There is no evidence to suggest that this is what has happened, however; Carter does not seem to analyze his 1937 interventions as a form of proto- bureaucratic collectivism. We must treat recollections such as this with a grain of salt, but they cannot be dismissed entirely. Other such recollections are used throughout, and the same uncertain disclaimer applies.

Burnham and Carter do not use the term "bureaucratic collectivist" in their analysis, and they do not even explicitly state what type of class society they think the USSR is. It is clear from their amendment that it is not, in their opinion, a workers' state any longer, but they do not indicate that it is a capitalist state. They imply instead a peculiar confluence of class forces with an overriding tendency towards capitalist reconstruction. Trotsky's response to their amendment quickly seized on this aspect of their position, arguing that Burnham and Carter effectively analyzed the USSR as a system in which no class ruled.[23]

Trotsky's answer to Burnham and Carter's amendment was to stress the basic analysis of *Revolution Betrayed*. He argued that the epochal struggle of the world was one between the proletariat and the bourgeoisie. The Russian bureaucracy played the role only of a "gear wheel" in that struggle.[24] The bureaucracy was pressured to act at times in defense of the property forms on which it was based, and at times to act against those property forms, thus giving it a dual character and making the state a contradictory one. The proletariat both rule and are ruled, creating, as Trotsky saw it, a contradiction in reality, not in the theory.[25] Nevertheless, Trotsky argued that the position of Burnham and Carter had a "healthy kernel" in their analysis of the increasingly reactionary nature of the bureaucracy.[26] He disagreed with Burnham and Carter as to the scope of the reactionary actions of the bureaucracy, but not about the consequences if they were correct.

In contrast to Trotsky's position Max Sterling, in another article against Burnham and Carter's amendment, argued that the nationalized property form in the USSR was "quite adequate" as a definition of a proletariat state, implying that the actions of the bureaucracy had little to do with the definition of the state's class nature.[27] Sterling came to the conclusion that the Red Army cannot be reactionary as it was driven to defend progressive property forms.[28] Sterling's article may not be particularly significant, but it is useful as an indication of the variance of the majority opinion from Trotsky on this question. Jack Weber, in contrast, later wrote for the majority that the value of Burnham and Carter's 1937/8 position was that the debate clarified the dual social nature of the bureaucracy.[29] Sterling also reports that Carter's working definition for the Soviet Union at the

time of the 1937 debates was the "Stalin State". This term is also used by Carter in his subsequent response to Trotsky.[30] Whether Burnham would also have accepted this term is unrecorded, as is the length of time Carter used the term for. It is clear from Carter's correspondence that he was never particularly happy with the term "bureaucratic collectivism":

In your spare moments try to invent a better term than "bureaucratic collectivism". I haven't been able to find one - though I once suggested "bureaucratic state-socialism" (which Max S. [Shachtman - MW] adopted for a while) - but this has even more disadvantages.[31]

A Bolder Defense

THIS SECTION FOCUSES on Carter's reply to Trotsky titled: "The Class Nature of the Soviet State." It is in this reply that many of the ideas that would later make up his theory of bureaucratic collectivism first feature. The conclusion reached is very different, however, as this article is written from within Trotsky's framework of analysis which Carter's later theory rejects. In 1937 Burnham and Carter's organizational position was to affirm the idea of defense of the Soviet Union whilst questioning its class character. By 1940 this would be reversed completely, with the minority pointedly not taking a position on the nature of the USSR, but rejecting its defense in war.

Carter first clarified the disagreements within the majority on how to classify a states class nature, as typified by the differences between Trotsky and Sterling's positions, for example. He argued that Sterling and the remainder of the U.S. party majority defined class character by property relations, whilst Trotsky defined it by the relationship of the state to property relations.[32] The majority theory denied that there could be a conflict between the class character of the state and of the economy, while Trotsky argued such a conflict was possible. Carter then moved to the idea that proletarian power and bourgeois power are fundamentally different, arguing that the bourgeoisie can rule without political power as their power can be held economically. The proletariat cannot hold their power economically, as to hold economic power they require political power.[33] This was to become a crucial mainstay of bureaucratic collectivist theory in future years, both in the Shachtman and the Carter variants. On this point it is worth quoting Carter at length:

In Dec. 1937 I wrote an article against Trotsky's and Shachtman's views on the SU in the SWP Internal Bulletin, "The Class Nature of the Stalinist State" [sic]. It marked a transition in my views from Trotsky's theory to that of bc [Bureaucratic Collectivism - MW]. It stressed the qualitative differences between proletarian and bourgeois class rule; asserted that the destruction of proletarian political power by definition meant the end of the workers' state; but continued the views that the nationalized property was somehow progressive and should be defended against Stalinist efforts to destroy them and, under certain conditions, jointly with the Stalinists against capitalist imperialism. One of its essential premises was that there is an inherent antagonism between Stalinism and the Russian bureaucracy on the one hand, and nationalized property on the other. This premise was rejected by me later when on reflection and further study that the actions of Stalinism... strengthened rather than weakened nationalized property and planning; that they solidified the rule of the bureaucracy. Stalinism was not leading to capitalism in Russia but was organizing a new system of class exploitation.[34]

I do not think it is entirely correct, however, to characterize the 1937 article in the manner Carter does here. It can possibly be seen as even closer to Carter's later position than he suggests.

Whilst Carter's later description maintains that in 1937 he thought the bureaucracy was attacking nationalized property, the original article also suggested that if proletarian power is reducible purely to economic power, as Sterling and others of the majority aside from Trotsky suggested, then the proletariat was in fact becoming stronger in the USSR.[35] This would be the case only if nationalized property were being strengthened, i.e. if the bureaucracy were strengthening it. Carter went on to say, on the very same page, that the bureaucracy was not defending nationalized property.[36] His views here are contradictory and muddled; his position was clearly in a high degree of tension. It raised some of the questions later bureaucratic collectivist theory would attempt to answer and also suggested some of the directions those answers would come from. Nevertheless, the main force of the conclusion Carter drew in 1937 was directly opposed to his later theory of bureaucratic collectivism. Carter's 1941 formulation of a theory of bureaucratic collectivism was predicated on the idea of the bureaucracy existing in a relatively stable fashion on the basis of a nationalized economy. Many tentative theoretical steps in 1937 would have to be abandoned before Carter's bureaucratic collectivist theory as we now know it would be arrived at.

Burnham's response to Trotsky was considerably vaguer on some crucial questions, and as such it is hard to tell exactly how much his ideas changed. He argued that the majority had assumed their own conclusion in defining proletarian power as nationalized property, i.e. the entire dispute was over whether that was the case and as such it could not be taken as a simple definition.[37] Burnham's argument hinged on the idea that the workers no longer controlled the state; therefore it could not be any longer considered a workers' state. It is unclear from this whether he here meant that the state could be restricted to a purely political phenomenon, a conclusion Carter strenuously avoided, or that a class definition of a society should be made with reference to the property relations within it, not the property forms. The latter idea was to become a staple of bureaucratic collectivist theory. That interpretation of the argument is supported by Burnham's idea that there is no such thing as a proletarian economy, and that with regards to the bourgeois state: "there is no direct analogy in the proletarian dictatorship".[38] In other words, the proletariat cannot hold power only through economic forms in the manner of the bourgeoisie. However, Burnham described as "questionable" Trotsky's idea that the relationships of the state are political but that political relationships are "concentrated economics," seeming to support the other interpretation of this article.[39]

Burnham was still, like Carter, operating within Trotsky's framework at this point. The USSR was in a "transitory" stage between a proletarian and a capitalist state. The bureaucracy was forming a "semi-bourgeois state" or an "embryonic bourgeois state", in his view.[40] In other words Burnham still saw the bureaucracy as hostile to nationalized property and still saw the struggle ongoing in the USSR in terms of capitalist restoration. However, he went further than Carter in answering Trotsky's point that this left the state with no clear class rule, arguing that neither the proletariat nor the bourgeoisie ruled at the time, but that a "new middle class" ruled.[41] This may seem similar to the later bureaucratic collectivist theory of a new ruling class, neither proletariat nor capitalist. However, Burnham's idea here was that this new middle class was attempting to become a capitalist class, and was therefore proceeding to attack nationalized economy: "it [the Soviet state] is the instrument of the "new middle class" (striving to become a consolidated bourgeois class) within the Soviet Union,"[42]

Burnham's article is also worth studying for the description offered within it of Shachtman's views. As my earlier quote from Carter's 1963 letter to Draper shows, Shachtman was considered one of the majority's key theorists in defense of the idea of the degenerated workers' state. Burnham records that whilst Martin Abern and James Cannon argued that the USSR bureaucracy had a dual character, Shachtman and Jack Weber argued that it was purely reactionary. Shachtman, Cannon, and Abern all argued that the bureaucracy had the same role internally as internationally. Burnham

went on to say that Shachtman would not call for the support of the USSR in Spain or China.[43] Burnham attacked Shachtman for his inconsistency, and it is indeed clear from this report that Shachtman's position was highly contradictory. He presumably maintained that the bureaucracy was reactionary, both at home and abroad, and that therefore its actions against revolution must be opposed. However, he also must have maintained that the USSR was a workers' state, and that the state must be defended on its own soil. Shachtman gave the majority report on this question to the Convention of 1937/8. He was some way from a bureaucratic collectivist theory at this point.

None of the future leaders of the WP present at the Convention, aside from Carter and Manny Garrett, supported the Burnham and Carter position. Members of the 1940 minority recorded as voting against it include Shachtman, E.R. McKinney, Nathan Gould, Hal Draper, Ernest Erber, Al Glotzer, and Martin Abern.[44] Some of these writers never abandoned a workers' state theory, such as Abern. Garrett subsequently supported Carter's ideas in the ongoing battle in the WP between Carter and Shachtman's theories of bureaucratic collectivism; however, those ideas were quite different from the 1937 position.

The natural assumption here is that these writers had yet to be persuaded to the idea that the USSR was no longer a workers' state. A letter from Peter Drucker to Draper records Draper's previous assertion that he "wouldn't support it [the Burnham-Carter amendment] even now, since it suggested that the bureaucracy was restoring private property".[45] Crucially, all the WP members listed above not only voted against Burnham and Carter's amendment, but also voted for the majority motion. Hence the moment when many of them were persuaded that the USSR was no longer a workers' state is still obviously unclear. Draper wrote in 1959 that when Rizzi was introduced into the 1940 debate by Trotsky to show how abandoning defense of the USSR would lead to abandoning the idea of the USSR as a workers' state: "That was true, some of us, like myself, had already rejected it by that time.".[46] This leaves a very small window, which must have been filled with intense discussion in the circles, which were to become the 1940 minority. On this subject Draper wrote to Carter in April 1962 asking:

What discussions, and with whom, led up to Shachtman's indictment of the initial discussion article "Is Russia a Worker's State?" Also did Shachtman get anything from discussion with Johnson [C.L.R. James - MW], who (I recall) already during the faction fight was saying Russia was not a workers' state, though I do not recall if he already at that time had the state capitalist theory. Ditto: did Shachtman get something from Lebrun [Pedrosa—MW]?[47]

Carter replied:

I do not think J [Johnson/James - MW] or L [Lebrun/Pedrosa - MW] had any influence. I spent many hours with S [Shachtman - MW] - most of them during subway rides and on street corners! and later when I spent a day with him editing his *N.I.* [New International - MW] article.[48]

An Alternative Position

A BRIEF CODA TO THIS ENQUIRY into the 1937/8 discussion is necessary. Burnham and Carter were not the only members of the American Trotskyist movement to reject that the USSR was not a workers' state in 1937. Along with their minority amendment a separate minority resolution appeared, signed by Martin Glee, Dan Eastman, Eleanora Dean (Maya Deren), and numerous others. This resolution

was brief and characterized as a "minimum statement of agreement" between the signatories. Expressed in the resolution was the hope that further discussion could produce a "definitive position," but until that point more extensive comment on the USSR was left to the individual signatories to provide in their own name. The resolution, less than a page long, argued the basic point that as the workers no longer had effective control of the means of production they could not be considered their owners, and as such the state was not a workers' state.[49] This could possibly be considered similar to later bureaucratic collectivist theory, but is simply too vague to allow much of a conclusion to be drawn either way.

Some of the supplements to this are much more interesting, however. Draper argued in 1985 for closer attention to be paid to the position taken in 1937 by Eastman and Dean:

I suggest the rediscovery of a thesis by Dan Eastman (Max's son) and Eleanora Dean (who later as Maya Deren became a pioneer in dance film). They submitted it in later 1938 [sic] to the Trotskyist group then being reconstituted, to be named Socialist Workers Party. Their thesis proposed a knowledgeable and well-thought-out New Class theory of Stalinism far superior to Rizzi's later one. Unfortunately they made the mistake of labeling their New Society "Industrial Feudalism," a label that turned everyone off... The positive content of the Eastman-Deren thesis was absorbed two years later into Carter's theory of bureaucratic collectivism.[50]

The Eastman-Deren thesis was that economic forms alone are insufficient for the definition of a society's class nature; this shows a similarity with later bureaucratic collectivist theory. However, they took this idea further than bureaucratic collectivist theory would allow it to go, as they argued that "centralized operation of the means of production is an administrative question, the control of the means of production is a social question." This was elaborated with the idea that nationalized property was only of "technical importance", not a social determinant.[51] The logical conclusion of this, which Carter and other bureaucratic collectivist theorists rejected, was that collectivization was not inherent to the Russian economy but only a technical and administrative tool.

Where Eastman and Deren go further than Burnham and Carter is the question of Trotsky's framework of capitalist restoration, which they rejected wholeheartedly. Whilst Carter stuck, unhappily, with the idea of capitalist restoration in the Soviet Union, and retained completely the idea that the USSR's economy had more productive potential than in its old capitalist form, Eastman and Deren argued that the USSR had reverted to a pre-capitalist form of production, hence the designation of it as "feudalist." When Draper argued that Carter incorporated the "positive content" of this thesis into his own it is not clear whether he meant Carter was influenced by the Eastman-Deren position or that similarities could be identified. Either way, Eastman and Deren do not appear to be involved in the minority of 1940 or the WP, and their position is not otherwise referenced as particularly influential. It is best regarded, therefore, as a useful indicator of the discussions ongoing in the Trotskyist movement at the time.

Conclusion

THE 1937/8 DEBATE in the American Trotskyist movement shows the beginnings of a desire for a new theory of the USSR, but it does not show completely the direction such a theory would eventually come from. Even where writers like Burnham and Carter questioned Trotsky's theory, they accepted key parts of his framework of analysis, and reached very similar conclusions. In the few years that followed they would both, in different ways, abandon that framework and analyze the USSR from crucially different perspectives. This debate does not, therefore, show bureaucratic collectivist

theories in their infancy, but does show some of the constituent ideas of those theories in a very different format.

We can see here the importance of understanding the wider theoretical outlook from within which an author is writing. The key political difference between Burnham and Carter's respective theories of 1937 and of 1940 is their position on the defense of the Soviet Union. Other ideas are clearly constant between the two debates. Looked at on face value the 1937 positions therefore seem like a "halfway house" option, with Burnham and Carter not yet bold enough to follow through their ideas to the political conclusions they would later draw. This view of ideological development is too simplistic. If Burnham and Carter's 1937 ideas are analyzed in relation to the wider debate on the USSR within the American Trotskyist movement, particularly with regard to Trotsky's views, it shows that their call for defense of the USSR makes sense within the context of a wider framework of analysis. Through studying the rejection of that framework and the adoption of a new one we can best understand the difference in their earlier and later positions.

Footnotes

1. SWP and Organizing Committee for a Socialist Party Convention Internal Bulletins and Minutes used courtesy of the Tamiment Library and Robert F Wagner Labor Archives, New York University. Hal Draper Collection used courtesy of the Special Collections Department, University of California Library, Davis.
2. I follow Hal Draper in using the term "Independent Socialist tradition" as convenient shorthand for the Third Camp politics of the WP/ISL and Independent Socialist movement following the dissolution of the ISL in 1958.
3. Trotsky, L. *Revolution Betrayed* (London: New Park, 1973), pg. 1, 7, and 8/9.
4. *Ibid.*,11.
5. *Ibid.*,46/7.
6. *Ibid.*,54.
7. *Ibid.*,193.
8. *Ibid.*,254.
9. *Ibid.*,244.
10. *Ibid.*,277.
11. *Ibid.*,288.
12. Trotsky, L. "Discussion with Crux on the Transitional Program" in SWP 6 (1938) 13 (discussion of June 7th 1938) Tamiment Library Socialist Workers Party Collection, R-7781.
13. Trotsky, L. "Once Again, the USSR and it's Defense" in *Internal Bulletin of the Organizing Committee for the Socialist Party Convention* 2 (1937): 18, Tamiment Library Max Shachtman Collection 103, Box 45, Folder 3, Reel 58.
14. Matgamna, S. "Introduction" in *The Fate of the Russian Revolution* ed. Matgamna (London: Phoenix Press, 1998) 104.

15. Carter, J. Letter to Draper February 21st 1968, UC Davis Hal Draper Collection, 373, Box 8.
16. Convention Arrangements Committee, "Resolution on the Soviet Union" in *The Founding of the Socialist Workers Party* ed. Breitman, 129-140 (first published Nov 1937) (New York: Monad, 1982) 135.
17. Burnham, J and Carter, J. "Amendment to Resolution" in *Internal Bulletin of the Organizing Committee for the Socialist Party Convention 2* (1937) 13-14, Tamiment Library Max Shachtman Collection 103, Box 45, Folder 3, Reel 58.
- 18 Cannon, J. "A New Party is Founded" in *The Founding of the Socialist Workers Party* ed. Breitman, 44-50 (written January 1938) (New York: Monad, 1982) 49, The three votes for the Minority position were those of G. Whiteside of Kansas, Retzkin of Astoria, New York, and G. Brooks of Upper West Side, New York. In addition the amendment received four fraternal delegate votes - Carter, Burnham, Manny Garrett, and Mendelson of Newark. The minority resolution noted here as receiving two votes was that of Martin Glee, etc. (see note xliii).
19. Socialist Workers Party Political Committee, "Minutes of 17th February 1938" in Tamiment Library Shachtman Fight Collection, R-7781.
20. *The New International* (Editorial), "A Correction" in *The New International* 4 No.3 (1938) 95 (Editors - Burnham, Shachtman, and Spector).
21. Burnham and Carter, 1937.
22. Carter, J. Letter to Draper February 21st 1968, UC Davis Hal Draper Collection, 373, Box 8.
23. Trotsky, L. "Not a Workers' and Not a Bourgeois State? Political and Social Content" in *Internal Bulletin of the Organizing Committee for the Socialist Party Convention 3* (1937) 1, Tamiment Library Max Shachtman Collection 103, Box 45, Folder 3, Reel 58.
24. *Ibid.*,8.
25. *Ibid.*,9.
- 26.. *Ibid.*,2.
- 27 Sterling, M. "What does the Position of Comrades Burnham and Carter lead to?" in *Internal Bulletin of the Organizing Committee for the Socialist Party Convention 3* (1937) 15, Tamiment Library Max Shachtman Collection 103, Box 45, Folder 3, Reel 58.
28. *Ibid.*,16.
29. Weber, J. "A Bankrupt Opposition Bloc" in UC Davis Draper Collection, Box 37 (written March 15th 1940).
30. Carter, J. "The Class Nature of the Soviet State" in *Internal Bulletin of the Organizing Committee for the Socialist Party Convention 5* (1937) 8, Tamiment Library Max Shachtman Collection 103, Box 45, Folder 3, Reel 58.
31. Carter, J. Letter to Draper October 20th 1958, in UC Davis Hal Draper Collection, 373, Box 5.
32. Carter (1937), 3.

33. *Ibid.*,6.
34. Carter, J. Letter to Draper March 10th 1963, In UC Davis Hal Draper Collection, 373, Box 8.
35. Carter (1937), 6.
36. *Ibid.*,6.
37. Burnham, J. "Formula to Reality" in *Internal Bulletin of the Organizing Committee for the Socialist Party Convention 5* (1937) 15, Tamiment Library Max Shachtman Collection 103, Box 45, Folder 3, Reel 58.
38. *Ibid.*,18.
39. *Ibid.*,22.
40. *Ibid.*,23.
41. *Ibid.*,23.
42. *Ibid.*,23.
43. *Ibid.*,12-13.
44. Socialist Workers Party "Minutes, First National Convention of the Socialist Workers Party: Chicago, December 31st 1937 - January 3rd 1938" in *The Founding of the Socialist Workers Party* ed. Breitman, 58-83 (New York: Monad 1982) 72-3.
45. Drucker, P. Letter to Draper 26th June 1989, in UC Davis Hal Draper Collection, 373, Box 15.
46. Draper, H. Letter to Le Contrat Social January 21st 1959, in UC Davis Hal Draper Collection, 373, Box 61.
47. Draper, H. Letter to Carter April 14th 1962, in UC Davis Hal Draper Collection, 373, Box 5.
48. Carter, J. Letter to Draper May 7th 1962, in UC Davis Hal Draper Collection, 373, Box 8.
49. Glee, et al "Resolution on the Russian Question" in *Internal Bulletin of the Organizing Committee for the Socialist Party Convention 2* (1937) 24, Tamiment Library Max Shachtman Collection 103, Box 45, Folder 3, Reel 58.
50. Draper, H. "Myths About Bruno Rizzi," in UC Davis Hal Draper Collection, 373, Box 61, written between September and November 1985.
51. Eastman, D and Deren, E. "No Workers State without Workers Control" in *Internal Bulletin of the Organizing Committee for the Socialist Party Convention 2* (1937) 36-37, Tamiment Library Max Shachtman Collection 103, Box 45, Folder 3, Reel 58.