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## Socialism and Counter-Bureaucracy

Marxist-Leninist regimes are unique among modern political regimes: they have remade both the system of production and that of reproduction after taking power. Their goal was to marry industrial modernization and cultural domination based on three principles: Communist political rule, central planning, and working-class dictatorship. For decades, they seemed to be quite successful, ruling across Europe, Asia, and the Americas. They expanded the state and the public sector while turning private capital into a relic or subsidiary element of the economy. They provided previously disenfranchised populations with educational and career opportunities and reduced income and gender inequality. Notwithstanding periodic economic difficulties and political resistance, these regimes apparently established strong organizations and social stability in their own countries. To many, the sudden demise of the Soviet and Eastern European regimes during the 1989–91 revolutions therefore came as a surprise.<sup>1</sup>

This is a study of the workplace as an everyday administration under Marxist-Leninist political rule. What have been called actually existing socialisms were, after all, forms of organization that extended across state and society. Because the emergence of such socialist societies has invariably transformed the division of labor, workplace organization is a window on their nature and the problems they encountered in reproducing themselves. Like capitalist countries, such socialist societies differed among themselves, to the extent that their leaderships had condemned one another as traitors to socialist doctrines. Fortunately, this has not prevented research from building analytical models that stress

the shared distinctiveness of actually existing socialisms or their departures from capitalist societies. An important fact is that the extended dominance of the former Soviet Union in the socialist world greatly influenced development in member countries, as their reconstruction of state and society was modeled partly after Soviet precedents.<sup>2</sup>

This book focuses on the workplace in China during the Mao era. The Chinese Communist Party (CCP) is still in power. But the socialist system it erected has disappeared. Like Russia before the Bolshevik revolution, China was an impoverished, politicized, and highly unequal country before the Communist revolution. The victorious CCP was determined to build a high-growth modern society with a socialist class formation. It adopted Soviet practices, nationalizing and expanding industry, education, and other institutions. It drew increasing numbers of people into nonagricultural work and reorganized the authority structure, compensation, and other aspects of the workplace. By the late 1950s, China's fallout with the Soviet Union prompted the CCP to further incorporate Chairman Mao's ideas of developing socialism, but by and large still within an institutional framework similar to that of the Soviet Union. A reconstitution of the workplace occurred gradually until the Cultural Revolution (1966–69) wreaked havoc upon state and society. By the time the CCP reestablished social order, the Chinese and the Soviet workplace had developed major differences. It was not until the Mao era ended that the two systems would show convergence again.

My main argument in this book is that the historical transition to socialism gave rise to a *modern* form of workplace administration that is the structural opposite of the modern bureaucracy described by Max Weber. According to Weber, modern bureaucracy features, inter alia, a single hierarchy, competent staff, rule-based management, and rational compensation. Whether the CCP followed the Soviet Union or struck out on its own, it established within the workplace multiple hierarchies of authority, status, and income, as well as a labor force of poor skills subject to intrusive and arbitrary discipline. There was hardly any modern bureaucracy in Mao's China. But the system of administration that emerged was also different from traditional types of organization. Like the Bolshevik revolution, the 1949 revolution ushered in a new form of workplace administration. I call the latter *counter-bureaucracy* to distinguish it from both traditional and modern bureaucracy.

My goal is not merely to debate the understanding, which has been

stated in myriad ways, that actually existing socialisms represented the domination of bureaucracy. Weber's work contains nuanced insights that can help explain how workplace organization in Soviet-type societies damaged their sustainability. Because several dominant perspectives on bureaucratic administration in such societies have paid lip service to Weber, his thinking has not really been explored for such a purpose. Instead, research based on such perspectives suggests or implies that too much bureaucracy toppled actually existing socialisms, when, in fact, they had produced too little. This book seeks to bring Weber back to the center of the debate on the demise of Soviet-type societies.

In this opening chapter I use Weber's theory of bureaucracy to construct an analytical framework for studying workplace organization in Soviet-type societies. This framework will serve as a lens for understanding Shanghai secondary schools, Chinese officialdom, and Soviet industry as workplaces and their relations to the reproduction of such societies. Readers who wish to skip theoretical debates or to focus on workplace conditions under Chinese Communist rule can start with the next chapter. Here I begin with a critical interrogation of the mainstream view that actually existing socialisms were highly bureaucratized and compare it to Weber's work on bureaucracy, especially his understanding of the relation between socialism and bureaucracy. I then contrast Weber's thinking with Lenin's and Mao's theoretical and practical rejections of modern bureaucracy for socialist societies. My analyses culminate in an elaboration of the concept of counter-bureaucracy and how its features were traceable to Leninist and Maoist ideas. The final section of the chapter summarizes the themes of the rest of the book.

#### THE "BUREAUCRATIC" MODELS OF SOCIALISM

Even before the totalitarian theory of communism lost its intellectual dominance in the study of Soviet-type societies some forty years ago, the idea that such societies represent the domination of bureaucracy had entered mainstream academic thinking, often with explicit reference to Weber's work on modern bureaucracy.<sup>3</sup> It was used to explain the tenaciousness of Communist Party rule despite its intolerance for private property, liberal democracy, and individual freedom. With the more recent decline of such societies, the idea has been reinterpreted to demonstrate that too much bureaucracy created economic inefficiency,

political resentment, and eventually systemic crises. The question we need to ask is, how much of this discussion of “socialist bureaucracy” reflects Weber’s understanding of modern bureaucracy?

Sociologist Jan Pakulski was correct when he observed two decades ago that the concept of bureaucracy in research on Soviet-type societies tends to be vague and misleading, with different meanings that evoked Weber’s teaching but never accurately.<sup>4</sup> His skepticism that such societies ever encountered an expansion of bureaucracy in the Weberian sense was shared by other scholars.<sup>5</sup> Their works constitute what can be described as a critical tradition of Weberian scholarship on bureaucratic administration in Soviet-type societies. However, this tradition of scholarship has been overshadowed by other “bureaucratic” perspectives on such societies. As a result, it is still a commonplace supposition that actually existing socialisms and bureaucracy were bedfellows to the end.

In part, this supposition reflects elite opinions inside the socialist world that repeatedly noted an undesirable presence of bureaucracy. Before his death, Lenin waged a famous struggle against what he referred to as bureaucracy and bureaucratism for threatening Russia’s socialist reforms. A decade later, in the 1930s, Leon Trotsky took Lenin’s argument to its logical conclusion by accusing the Soviet bureaucracy of betraying the Russian revolution. His indictment is repeated by the Yugoslav dissident Milovan Djilas in his now classic analysis that the political bureaucracy, rather than workers, formed the new ruling class in Communist Eastern Europe. In postrevolutionary China, Mao and other political leaders frequently spoke against the “evils of bureaucracy” plaguing the party and state and even the entire political economy.

What these and other political leaders or scholars called bureaucracy is not necessarily about how the workplace operated as an everyday administration. As we will see, Lenin and Mao had their own ideas of bureaucracy in this regard. Their thinking has important parallels to, but also basic departures from, Weber’s understanding of modern bureaucracy. It would greatly influence workplace reorganization in Russia and China after the revolution. But Lenin’s last struggle against bureaucracy was not about remaking the workplace as much as redistributing power at the elite level. He wanted to rein in the party and state apparatus, which he called bureaucracy.<sup>6</sup> Likewise, when Trotsky and Djilas took aim at the bureaucracy in Russia or Eastern Europe, they meant “the commanding stratum” or most powerful people in these societies, not any specific type of workplace organization.<sup>7</sup> By contrast,

Mao's attacks on bureaucracy expressed his dissatisfaction with the postrevolutionary setup of Chinese officialdom and, as I show later, his misconception that this institution was a variant of the Chinese state that had existed before the revolution or in capitalist societies. For Mao, what epitomized bureaucracy was a self-seeking, arrogant, unproductive, and incompetent official.<sup>8</sup>

Though differing among themselves, these views on bureaucracy in Soviet-type societies are at heart Marxist interpretations. Marx "identified bureaucracy with the state apparatus, a social stratum or caste [of officials] independent of the social classes defined by their position in the economic structure." Contrary to Hegel's belief that the state embodies "the image and reality of reason," he considered this institution indispensable for class rule and held that the bureaucratic personnel were mired in secrecy and their own interests, besides being incompetent.<sup>9</sup> The bourgeois state, he believed, would ultimately be destroyed during the socialist revolution, and the replacement socialist state would wither away as class struggle disappeared. Against this Marxist premise that they had once shared, Lenin, Trotsky, Mao, and others indicated in their own ways that the state had actually become an obstacle to socialist development after the Communist takeover. Their analyses of their own failings to anticipate or overcome this problem prepared the stage for later analysts to weave actually existing socialisms and the domination of bureaucracy together.

More important, the theoretical proposition that actually existing socialisms and bureaucracy were coextensive reflects a *questionable* borrowing of Weber's ideas on socialism and modern bureaucracy. Weber observed that modern capitalism has engendered the growth of rational bureaucracy. He also noted that socialism "would, in fact, require a still higher degree of formal bureaucratization than capitalism."<sup>10</sup> By this, he meant that a socialist state would need to further institutionalize technical and impersonal norms just to maintain a comparable level of economic efficiency previously achieved by the workings of private enterprises. In the 1950s, Barrington Moore noted that the Soviet Union could be seeing "creeping rationality" or the increased use of technical, rational, and legal criteria of behavior and organization.<sup>11</sup> Ten years later, Alfred Meyer did theoretically to Barrington Moore what Trotsky had done to Lenin, taking the argument further. He contended that the socialist and capitalist systems are not that different anymore, as both are based on complex modern bureaucratic organizations.

Like modern bureaucracy, Communist rule is essentially an attempt to impose

*rational* management over social life by means of complex organization. This attempt leads to the emergence of structural forms, political processes, psychological adjustments, as well as malfunctionings which make Communist systems look remarkably similar to bureaucratic organizations in other parts of the world. An important difference which remains is that Communist systems are sovereign bureaucracies, whereas other bureaucracies exist and operate within larger societal frameworks, so that a Communist state becomes one single bureaucratic system extended over the entire society, or bureaucracy writ large.<sup>12</sup>

Other scholars of the Soviet Union and Eastern Europe did not explicitly compare those countries' organization with that of capitalist societies, but nevertheless they lent support to this thesis of bureaucratization under Communist political rule. To various extents, they borrowed from Weber the notion that bureaucratic administration tends to evolve toward centralized control, functional differentiation, technical specificity, as well as depersonalization and impersonality. As a result, numerous concepts, such as directed society, administered society, organizational society, mono-hierarchical society, and bureaucratic absolutism, were used to indicate that bureaucracy loomed large in Soviet-type societies.<sup>13</sup>

Research on socialist China has, too, borrowed from Weber and offered similar findings on organization. A common view is that after the revolution the CCP installed or harnessed elements of modern bureaucracy within state and society. As Harry Harding put it:

During the mid-1950's, the Chinese experimented with *rationalization*: rules and regulations were promulgated, a complex network of bureaucratic auditing and monitoring agencies was established, career lines were systematized, and specialized bureaucratic agencies were allowed to proliferate. Many later attempts to control the excesses of bureaucracy can also be understood as instances of rationalization: the reduction of staff implemented in 1955, the decentralization of measures of 1957-58, and the partial recentralization of the early 1960's all being cases in point. Even elements of the organizational reforms of the Cultural Revolution, particularly the simplification of bureaucratic structure and the decentralization of economic management, are best read as examples of a rationalizing approach to the bureaucratic dilemma.<sup>14</sup>

Although Franz Schurmann and other influential scholars offered a different interpretation of organization in socialist China, their views, too, supported the notion that extensive bureaucratization occurred after 1949. They noted that the CCP started to bureaucratize state and society after taking power, but the mass campaigns sponsored by the state, especially the Great Leap Forward and the Cultural Revolution, interrupted the bureaucratization. From this perspective, Chairman

Mao, who initiated both the Great Leap Forward and the Cultural Revolution, was the archenemy of bureaucratization, and President Liu Shaoqi, who was put in charge after the Leap famine and hounded to death during the Cultural Revolution, was a bureaucrat par excellence.<sup>15</sup> The fluctuation of bureaucratization within state and society is seen as a reflection of these men's competing leadership statuses.

Compared to Marxist formulations, these "Weberian" conceptions of bureaucratic development in Soviet-type societies focus more on how work was organized after the revolution. On the one hand, they indicate that the market was displaced by the state, which also penetrated into spheres of life such as religion, internal migration, and private consumption that had not been subjected to strict official control. On the other hand, they emphasize an increasing, though uneven, institutionalization of formal hierarchies, procedures, rules, and regulations in the political economy. Bureaucratization in this context means the emergence of a gigantic state machine and its drive toward regularization.

As Pakulski has convincingly argued, this adaptation of Weber's understanding of bureaucratic development during the transition to socialism is highly problematic. It ignores precisely his central thesis of modern bureaucracy—its embodiment of legal-rationality.<sup>16</sup> For Weber, what distinguishes modern bureaucracy is its single hierarchy of offices, meritocratic selection of personnel, and "systematic application of clearly defined impersonal legal norms in the form of abstract general rules regulating all procedures, as well as the rights and duties of officials." Pakulski has further shown that research on the Soviet Union and Eastern Europe (and I may add on China, too) contains plenty of evidence that the workplace possessed numerous deviations from the Weberian principle of legal-rationality, even during the post-Stalin years when state terror, violence, and radicalism had declined significantly. Examples are employment by political qualification, lack of job prescription, arbitrary exercise of power by party officials and management, widespread official corruption, proliferation of patron-client networks, and state interference in the private life of the labor force.<sup>17</sup> Pakulski concluded that "the *absence* of bureaucratic traits constitutes the distinctive feature of Soviet-type administration."<sup>18</sup>

As we shall see, the above "Weberian" perspectives on bureaucratic development in Soviet-type societies involve not only questionable departure from Weber's conception of modern bureaucracy but also contextual misreading of his view on Soviet society. Weber never claimed

that Soviet Russia, which emerged shortly before he passed away, was properly socialist or would see a deepening of modern bureaucracy within state and society. To the contrary, he believed that the ascent of Bolshevism would hamper whatever rationalization was taking place in Russia before the revolution. I shall further note that the above “Weberian” views fail to take into account the Marxist-Leninist position on what to do with bureaucracy after the Communist takeover. Both Lenin and Mao explicitly opposed the use of modern bureaucracy. Consequently, China and the Soviet Union did not develop such administration but rather destroyed it during the transition to socialism.

Since the 1989–91 revolutions in the Soviet Union and Eastern Europe, research has pinpointed the bureaucratic coordination of the economy by the state as a major cause for the decline of Soviet-type societies. An oversimplified summary of this multidimensional argument, as exemplified by the works of János Kornai, goes something like this: unlike a capitalist economy, central planning places immense burdens on government to ascertain demand, manage supply, and satisfy need. It is therefore prone to simultaneously create shortages of goods and services and waste of resources. After early economic successes through forced growth or state decisions to invest disproportionately in targeted sectors, Soviet-type societies encountered perennial economic crises. Poor industrial efficiency, tight supply of consumer goods, poor-quality products, declining living standards, and other economic problems persisted. Popular resentment and elite diffidence followed and intensified, making socialist systems unsustainable.<sup>19</sup>

A powerful repudiation of Soviet-type societies, such an argument against bureaucratic coordination by the state shares the assumptions of the above Marxist and other interpretations of bureaucracy, which have little to do with Weber’s model of rational bureaucracy. Kornai defines bureaucracy not as a legal-rational form of administration, but “the organization consisting of functionaries of the party, the state, the mass organizations, and also the managers of the state-owned sector collectively.” He uses “centralized bureaucratic coordination” of the economy to mean that these people, or the Communist elite, had “the exclusive right” to dispose resources within “an undivided, totalitarian structure of power.”<sup>20</sup> Bureaucracy is therefore regarded as the opposite of the market, too. Bureaucratization means that the state increasingly controls production, distribution, and consumption rather than the increasing deployment of formally rational rules and procedures



in organizations, as in the Weberian sense. But when research on governmental coordination of the economy in Russia, Eastern Europe, or China probes into the workplace, its finding confirms that the latter's organization was fundamentally different from that of modern bureaucratic administration, as conspicuous stress on political ideology, personal loyalty, and coercion replaced the use of technical, legal, and impersonal norms.

In other words, such research obfuscates the roles played by state coordination of the economy and by modern bureaucracy in the decline of Soviet-type societies. It does not distinguish the damage caused by such coordination and by what its own research confirms to be an overall lack of rational administration. This analytical failure weakens the argument that official coordination of the economy was a major cause of the decline of such societies. The terminology of such research, or its use of "bureaucracy" and "bureaucratic coordination," however, trumps the imprecise contention that too much bureaucracy precipitated the unraveling of actually existing socialisms. It reinforces the misunderstanding that these societies had been overbureaucratized.

From a Weberian perspective, what the above "bureaucratic" models demonstrate is not that modern bureaucratic administration loomed large in Soviet-type societies, but that it is questionable whether this administration had existed at all in those places. The corollary derived from such models that actually existing socialisms and bureaucracy have been inseparable to the end is therefore misleading. It is based on a misreading of Weber or conceptions of bureaucracy that have little to do with his understanding of rational administration. It trivializes the administrations developed under Marxist-Leninist rule by implying that they were variations of rational, bureaucratic organizations the world over.

#### A WEBERIAN ANALYTICAL FRAMEWORK

This book does not merely contend that Marxist-Leninist regimes did not establish modern bureaucratic administrations. Such an argument has already been made, even though its value for researching Soviet-type societies has not always been appreciated. I extend and revise Weber's understanding of modern bureaucracy to demonstrate two things: that the above regimes developed an administration that is the mirror image of the rational bureaucracy, and that the reproduction of

this administration was a principal reason for the decline of Soviet-type societies. To understand what this alternative administration is and how it has affected actually existing socialisms, we must begin with Weber's theory of bureaucracy and then turn to Lenin and Mao to see what they thought of modern bureaucratic administration.

Weber indicated that for centuries in the West, patrimonialism, which has its origin in patriarchal authority, was the most common type of administration within the state, the church, and other hierarchical establishments. Those who exercised authority conducted their official business on the basis of personal discretion, whose limit was checked only by tradition and custom. They appointed the people they trusted and carried out supervision whenever they wanted. In general, staff had vaguely defined responsibilities and jurisdiction, because it was the masters' prerogative to dictate the content of their work. They were paid in kind, supported within the masters' household, or given the right to use their offices or the masters' properties to generate income. With patrimonialism, "practically everything depends explicitly upon personal considerations . . . upon purely personal connections, favors, promises and privileges."<sup>21</sup> The masters must see that the staff "are kept sweet" by material and other rewards; the staff in turn seek to limit the masters' demands within "the sanctity of tradition."<sup>22</sup>

According to Weber, the rise of capitalism and the rule of law engendered a new form of social administration—modern bureaucracy. In a world with increased economic uncertainties and competition, those who exercised authority had to pursue rational arrangements to minimize waste, delay, and failure in organizations in order to improve their chance of survival. The change to rational administration was most visible in businesses because they confronted the most ruthless competition. But it also penetrated governments, churches, and other establishments. In his ideal type that aims at capturing the distinctiveness of this administration, Weber laid out the characteristics of modern bureaucracy, which can be summarized as follows. There is a single hierarchy of offices occupied by individuals selected on the basis of technical qualification. They are hired on free contracts and paid by responsibility, performance, and qualification. Their official conduct is governed by impersonal rules, and they are promoted for job performance or seniority and subject to strict discipline. Official business is also carefully documented. For Weber, what modern bureaucracy represents is *formal rationality*, that is, the maximization of "the calculabil-

ity of means through the standardization of action."<sup>23</sup> The growth of modern bureaucracy signifies the replacement of the rule of traditions and personal vagaries by the rule of law and impersonal norms.

Weber stated that the rise of modern bureaucracy has serious implications for the individual, work, and society. Compared to previous forms of administration, modern bureaucracy is much more efficient and reliable. The appointment of technically qualified staff constitutes a major source of advantage. It promotes speed, precision, and the uniformity and predictability of operation. The methodical calculation and execution of supervision, promotion, compensation, and punishment further benefit job performance by minimizing irregularities of effort and fluctuations of incentives.

Modern bureaucracy has a similarly profound impact on the office-holders. The presence of clearly defined systems of authority, discipline, and remuneration reduces these people's anxiety about responsibility, career, and livelihood. It nurtures a "highly standardized and impersonal type of obedience" that minimizes the intrusion of "love, hatred, and all purely personal, irrational, and emotional elements" into official business.<sup>24</sup> Modern bureaucratic organizations thus bind their staff more closely and stably to their work, colleagues, and the organization itself than did earlier kinds of administrations. As Weber put it:

The individual bureaucrat cannot squirm out of the apparatus into which he has been harnessed. In contrast to the "notable" performing administrative tasks as a honorific duty or subsidiary occupation (avocation), the professional bureaucrat is chained to his activity in his entire economic and ideological existence. . . . The individual bureaucrat is, above all, forged to the common interest of all the functionaries in the perpetuation of the apparatus and the persistence of its rationally organized domination.

He considered modern bureaucracy "the most rational known means of exercising authority over human beings."<sup>25</sup>

There are three common criticisms of Weber's ideas on modern bureaucracy and the ideal type he presents: he never demonstrates that deviations from the rational features actually cause work slowdown, staff friction, or waste of resources; he fails to explain how modern bureaucratic organizations with emphases on stability, uniformity, and predictability can adapt to the fast-changing environments typical of capitalist competition; and he assumes that nonbureaucratic elements, such as unofficial norms and informal staff relations, are not conducive to organizational efficiency and stability when such elements may be as

important as the rational features in strengthening work performance.<sup>26</sup> These are valid criticisms of Weber's theory of modern bureaucracy. Nevertheless, research on organizations, especially on state agencies in developing societies, has repeatedly confirmed Weber's central argument on the rational bureaucracy. The presence of rational features within work establishments improves their performance by generating corporate coherence, esprit de corps, and usable knowledge and skills.<sup>27</sup>

On the flip side, Weber observed that the deployment of modern bureaucracy can exacerbate social inequalities. This administration is based on "domination through knowledge," which requires specialized training, sometimes for many years. Its growth has benefited those who can afford such training, namely, the economically privileged, and may therefore lead to "the universal domination of the 'class situation.'" The officeholders who possess valuable knowledge or skills are in "a position of extraordinary power" vis-à-vis the people they serve. They can further augment this power with work experience and access to "official secrets" and even exploit the requirement of "formalistic impersonality" in discharging their duties to protect themselves rather than provide goods or services.<sup>28</sup> If there are no mechanisms that check excesses and abuse, plutocracy, waste, and inefficiency inevitably follow the spread of modern bureaucracy.

In fact, Weber maintained that there is no necessary connection between modern bureaucracy as a tool for production and as a means of domination. At the extreme, this kind of administration can be captured by some interests *completely* for their own political or economic purposes. When this happens, the public face of the organization becomes a disguise for "the extraction, accumulation and control of [the coveted] resources." The everyday work of the organization "bears little relation to its official service goals, to the maintenance of social well-being or even to the long-term perpetuation of the bureaucracy itself."<sup>29</sup>

Above all, Weber feared that the rise of modern bureaucracy has proffered the political elite an unprecedented opportunity to establish "a monolithic power state" that has no meaningful check or balance of its power. Such a state had been impossible under patrimonialism because of its limited rationalization, but would now control every aspect of political, economic, and social life by means of a single bureaucracy spreading from the top into the deepest reaches of society. It would be staffed by large numbers of trained officials working according to state

edicts and instructions. If this occurred, it would mean "a more complete and nightmarish bureaucratic domination."<sup>30</sup>

But what did Weber think of the relation between socialism and bureaucracy? Some studies of Soviet-type societies have noted that Weber believed that the development of socialism would further the bureaucratization or rationalization of the political economy. Such societies may therefore have invited, if not lived, the ultimate bureaucratic domination he feared most. Citing Weber, one observer hit this point home, arguing that the Soviet Union "established the most awesome bureaucratic system ever created." In an overview of organizations in socialist China, Martin Whyte argued that the CCP "created one of the most bureaucratized social systems known to man."<sup>31</sup> It is, however, absolutely critical to place Weber's ideas on socialism and bureaucracy within their own context, because they have nothing to do with the Soviet Union or any other Soviet-type society. Such studies of Soviet-type societies have misinterpreted Weber's comments.

In his discussion of socialism, Weber's focus was solely Western Europe, especially Germany. He dismissed the Marxian "pathetic prophecy" of a workers' revolution happening there, but debated his social-democratic contemporaries on the probable consequences of socialism.<sup>32</sup> The issue at stake was what would occur if, "by a gradual process of evolution, in other words by general cartelisation, standardisation, and bureaucratisation," the market were replaced by state planning in these capitalist, industrially advanced countries.<sup>33</sup> Weber contended that operations within the political economy would be increasingly informed by *substantive rationality*, that is, ultimate values of fairness and equity, rather than formal rationality. Rules and procedures would be altered or formulated on the basis of such values. Changes would appear in staff composition, compensation, and so on, and overall economic efficiency would decline because large sections of the workforce follow rules and regulations established at the expense of output optimization.

However, Weber never doubted that modern bureaucratic administrations would persist and even multiply in these industrialized societies, because as the state moves to control the economy, it still has to ensure efficiency in production, communication, and other operations previously performed by private enterprises. This is why he stated *in this context* that socialism "would, in fact, require a still higher degree of formal bureaucratization than capitalism."<sup>34</sup> What troubled him was

that if an evolution toward socialism should occur in Western Europe, it would mean closer cooperation between the political and economic elite at the expense of the working class.

The unfortunate thing would be that, whereas at present the political bureaucracy of the state and the economic bureaucracy of private enterprise, of the cartels, the banks, and the large firms, exist alongside each other as separate bodies, so that, in spite of everything, economic power can be held in check by political, in the situation envisaged both sets of officials would form a single body with a solidarity of interests and would no longer be under control.<sup>35</sup>

The transition to socialism may thus result in social domination by one single, rational, and "unbreakable" bureaucracy that furthers the exploitation of workers rather than liberating them.<sup>36</sup>

Weber never considered postrevolutionary Russia a socialist society in the same manner as he pictured socialist evolution in Western Europe. Instead, he scornfully remarked that Bolshevik rule was just "a military revolt veiled in socialist drapery," not real socialism.<sup>37</sup> Furthermore, he noted that Bolshevik rule contained a virulent attack against the Russian bourgeoisie, the social class that possessed the expertise needed for developing modern bureaucratic administrations and, therefore, getting success in industrialization and other modernizing projects. By targeting the bourgeoisie, the Bolsheviks showed that they were "against formal rationalization."<sup>38</sup> The emerging Soviet system would thus feature not increasing bureaucratization but the opposite, the destruction of modern bureaucracy.

Put differently, Weber could not imagine how a modern society could be built in Russia, or anywhere else, without the use of modern bureaucracy. In his opinion, it would be impossible to have a debureaucratized and modernized Russia at the same time. He therefore did not think Bolshevik rule would last for long.<sup>39</sup> As Pakulski has pointed out, with the Bolshevik system of rule, what apparently interested Weber was how it might produce an administration of "a quite different type," something that would depart in basic terms from traditional forms of administration as well as from modern bureaucracy.<sup>40</sup> Unfortunately, he died before penning any definitive analysis of Soviet Communism.

At this point, there are four components that I draw from this Weberian framework to reexamine the relation between actually existing socialisms and bureaucracy. First, modern bureaucracy is a distinct type of administration that stresses a single hierarchy, technical competence, and other rational features. Second, like other forms of administration,

it has specific implications for work, people, and society. Third, socialist development promotes bureaucratization or rationalization insofar as modern bureaucratic administrations are preserved. Fourth, the Bolshevik revolution did not engender the growth of modern bureaucracy but rather its destruction in Russia. In the conclusion of this book, I return to another important component of this Weberian framework, that is, Weber's concern that socialist development in industrialized societies may bolster the domination of modern bureaucracy *at the expense of the working class*. I shall argue that future theories of socialism must address this Weberian suspicion of socialism. But let us first turn to Lenin and Mao to see how they thought about bureaucracy and how their thinking affected organizational development in the Soviet Union and China.

#### AGAINST MODERN BUREAUCRACY: LENIN AND MAO

Marxist-Leninist regimes sought to modernize their countries on three principles oppositional to capitalist processes—central planning, working-class dictatorship, and Communist political rule. Both Lenin and Mao considered modern bureaucracy a product and means of capitalist domination that had to be replaced after the Communist takeover, a fact that much research on Soviet-type societies has overlooked. Like other political regimes, however, Marxist-Leninist regimes needed financial capital, technical expertise, and public support to pursue the modernization of the societies in which they ruled. As I shall indicate, Lenin provided a unique blueprint for harnessing such resources. His ideas greatly altered workplace organization in Russia and later in other countries. After the 1949 revolution, the CCP adopted the Leninist blueprint, but with Mao gradually asserting his own strategies of developing socialism. The Cultural Revolution led to the normalization of Maoism in the Chinese political economy. From a Weberian perspective, the transitions to Leninism and Maoism shared one thing in common: they engendered an administration that differed fundamentally from the rational bureaucracy.

Nowhere is Lenin's repudiation of modern bureaucracy so clear as in his famous tract *The State and Revolution*, written before the Bolshevik revolution. Like Weber, Lenin noted that capitalism has nurtured the rise of the modern state with features such as technically based recruitment, long-term career security, and graded remuneration. But

he disdained Weber's "professorial wisdom of the cowardly bourgeoisie."<sup>41</sup> Following Marx and Engels, he considered the modern state an instrument of capitalist political domination. The use of career officials makes popular control of the state impossible; recruitment by technical qualification ensures the selection of the bourgeoisie to top offices; and graded compensation serves to align the interests of state officials to the interest of the capitalist class.<sup>42</sup> The modern state must therefore be destroyed after the revolution, along with the parliaments or "talking shops" that disguise capitalist political rule. Lenin regarded modern bureaucratic administration as entirely unnecessary. "As far as the supposedly necessary 'bureaucratic' organization is concerned," he wrote, "there is no difference whatever between a railway and any other enterprise in large-scale machine industry, any factory, large shop, or large-scale capitalist agricultural enterprise. . . . The workers, after winning political power, will smash the old bureaucratic apparatus, shatter it to its very foundation, and raze it to the ground."<sup>43</sup>

*The State and Revolution* contains the oft-quoted political structure that Lenin deemed to be appropriate during the transition to socialism. Modeled after the 1871 Paris Commune and ideas of Marx and Engels, "the dictatorship of the proletariat" has the following main characteristics: anyone except those designated for political suppression may take part in government; there is no separation between legislative and administrative functions; officials are popularly elected and subject to rotation and recall; and their pay may not exceed "ordinary workmen's wages." Behind this commune model of organization lies Lenin's belief that production and administration in modern societies are quite different matters.<sup>44</sup> He agreed with Weber that capitalist development has made technical expertise indispensable to production. Unlike Weber, however, he believed that such development has not made administrative tasks more complicated, but rather greatly simplified them to "simple operations of registration, filing, and accounting." He thus considered the elaborate modern state dominated by well-paid officials from the upper classes redundant. It is a "parasite" that perpetuates capitalist rule. The working class can run not only the socialist state, but also the entire political economy. It would hire its own "technicians, foremen and accountants, and pay them *all*, and indeed *all* 'state' officials in general, workmen's wages."<sup>45</sup>

Events after the Bolshevik revolution, that is, massive workers' casualties in the civil war, ideological resistance within the Bolshevik ranks,



the failure of revolutions in Western Europe, and dire needs to revive the Russian economy, forced Lenin to modify his political ideas: ideas that would have promoted, especially in government, an egalitarian, antibureaucratic form of administration.<sup>46</sup> His new thinking on the role of hierarchy, expertise, discipline, and remuneration during the transition to socialism would become a paradigm of organization in Soviet-type societies. But, once again, he rejected modern bureaucracy.

To strengthen the Russian economy and quicken its modernization, Lenin insisted on thoroughly utilizing the prerevolutionary elite. As he put it, the working class had "no other bricks" with which to develop industry or other sectors apart from "bourgeois experts" and "petty-bourgeois intellectuals." It must take from capitalism "all its science, technology and art," set "definite tasks" for those with knowledge and skills, and "put every one of them to work." Lenin adamantly believed in this tactics of developing socialism. As long as "cultured capitalists" were cooperative, he told the Bolsheviks, they should assume "executive functions" to help improve the economy. Even those "old military experts, czarist generals and officers" who had been guilty of "bloody acts of repression against workers and peasants" should be absorbed into the Red Army.<sup>47</sup>

Aware that the former elite might exploit their entrusted responsibilities to sabotage rather than support Bolshevik rule, Lenin called for tight political control in the workplace. He no longer stressed the election, rotation, or recall of officials within or outside of government. Rather, the regime should appoint "workers' representatives" to the workplace to impose "a proletarian discipline" on bourgeois experts and intellectuals and compel them to work hard.<sup>48</sup> Having seen firsthand the complexity of managing an economy, he no longer believed that workers should instantly take on administrative work, but expected their representatives to learn from the former elite on the job, at the same time as they would keep these people under surveillance. This division of labor between the working class and bourgeoisie should last until the Bolsheviks produced an abundance of politically and technically qualified individuals, or what Antonio Gramsci later called organic intellectuals, to run the political economy. As Lenin told the Bolsheviks: "Our job is to attract, by way of experiment, large numbers of specialists, then replace them by training a new officers' corps, a new body of specialists who will have to learn the extremely difficult, new and complicated business of administration."<sup>49</sup>