Antibourgeoisie and Capitalist Restoration

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ABSTRACT

This article introduces the concept of the antibourgeoisie: the independent social bearer of the function of local economic command in an anticapitalist system from which the systemic power of capital is absent. Drawing on the Soviet red director and the Chinese national bourgeoisie, it argues that command over an individual productive node, private ownership, and the systemic domination of capital are distinct functions and should not be conflated. This distinction makes it possible to formulate a specific contradiction of the Plan, which must simultaneously reproduce the local master and prevent the conversion of local power into systemic sovereignty. The article then reinterprets the post-Soviet transformation: mass privatization is treated as a change in the form of Contour B rather than as sufficient evidence of capitalist restoration. The Russian trajectory is analyzed as a period of temporary bourgeois autonomy followed by the reconstruction of a Command Core and the renewed subordination of large capital. Ukraine is examined as the opposite case, in which the centrifugal anticapitalist tendency was suppressed through corruption by the capitalist Center. Through the Law of Realization, the article introduces proxy-fascism as a specific form of capitalist restoration and as the externally mediated coercive function of a dependent periphery.

Keywords: Polar Marxism; antibourgeoisie; capitalist restoration; Law of Realization; anti-market; gross economy; Command Core; national bourgeoisie; red directors; centrifugal tendency; proxy-fascism

JEL Codes: B51; P21; P26; P31; P51; D23

Introduction

The class character of the economic commander is usually approached through the question of ownership. Under capitalism, the owner of the enterprise is a bourgeois; the abolition of private ownership can therefore easily be interpreted as the abolition of the bourgeois function itself, while its subsequent restoration appears as the return of the bourgeoisie and of capitalism. Such an approach conflates three distinct relations: **local economic command**, **private ownership**,

and the systemic power of capital. This article proceeds from the premise that these functions may historically be combined within the same class, but they are not identical.

This distinction becomes particularly visible in anticapitalist systems. The Soviet enterprise preserved a separate local economic commander after the elimination of the private capitalist; contemporary China, by contrast, permits a large private sector without transferring systemic command to it. To designate the common class position underlying these different juridical forms, this article introduces the concept of the **antibourgeoisie**: the independent social bearer of the function of local economic command from which the function of systemic command through capital has been removed.

A broader result follows from this definition. The Plan does not eliminate the local master but must continuously reproduce him while simultaneously preventing the transformation of his local power into systemic sovereignty. Private ownership therefore cannot by itself determine the class character of a system. The post-Soviet experience is particularly revealing in this respect: the transformation of the red director into a private owner demonstrates the continuity of the local economic function, while the divergence between Russia and Ukraine shows the conditions under which such a transformation remains within an anticapitalist system and those under which it culminates in capitalist restoration.

The article proceeds as follows. Section 2 establishes the existence of a distinct function of local economic command in the gross economy. Section 3 demonstrates the persistence of this function in the transition to a market form of Contour B. Section 4 defines the red director and the national bourgeoisie as two forms of the local economic commander, after which Section 5 formulates their common class category. Section 6 derives from it the contradiction of the reproduction and negation of the local master. Sections 7 and 8 return to the Soviet and Chinese cases to test this construction. Section 9 examines post-Soviet privatization as the conversion of local command into a private title. Finally, Section 10 analyzes the Russian trajectory, while Section 11 examines the opposite Ukrainian outcome and introduces corruption and proxy-fascism through the Law of Realization.

Directors in the Soviet Union

As is well known, the history of the Soviet Union presents a rather striking picture. Despite the existence of what is termed in the present theory the *gross economy*—the first historical form of the Plan, or RDP of the first type—the direct management of individual enterprises was not exercised by the workers' collectives themselves. The same economic form may be described under a variety of other names: the Soviet planned economy, the administrative-command economy, the Stalinist economic system, and so forth. The terminology is secondary here. What matters is the observable organization of production itself.

One might begin from an abstract conception according to which, once the private capitalist has been eliminated, authority over an individual factory passes directly to the workers employed in it: the collective, or a council elected by that collective, would then become the subject that organizes production. Historically, the Soviet system was organized differently. The state enterprise had a personal head—the *director*; Soviet regulations also used the titles "chief" and "manager"—and enterprise management was organized according to the principle of *one-man management* (*edinonachalie*). The consolidation of this principle during the industrialization drive of the late 1920s and 1930s has been examined in detail in the historical literature, while the classic studies of the Soviet industrial enterprise describe the director as the effective manager of the individual production unit within a wider planning hierarchy [123].

This was explicitly incorporated into the institutional organization of the Soviet state enterprise. The 1965 *Regulation on the Socialist State Production Enterprise* stated that enterprise management was to be conducted on the basis of one-man management. The enterprise was headed by a director—or, depending on the institution, a chief or manager—who was appointed and removed by the superior authority. The director organized the work of the enterprise and bore full responsibility for its condition and activity. Without a special power of attorney, the director acted on behalf of the enterprise, represented it before other institutions and organizations, disposed of its property and funds within the limits established by law, concluded contracts, issued orders, hired and dismissed employees, applied incentives, and imposed disciplinary sanctions. The structure and staffing of the enterprise were also approved by the director within the framework established by the superior authorities [4].

The workers' collective was not entirely absent from the system of enterprise governance. Soviet regulation provided for the participation of workers and social organizations in the discussion and implementation of measures concerning plan fulfillment, production, working conditions, and other matters. Yet this participation existed *alongside* the principle of one-man management rather than replacing it. The same 1965 regulation simultaneously affirmed broad participation by the enterprise collective and defined the director as the person who headed the enterprise, organized its work, and exercised the corresponding administrative powers [4].

Nor was the Soviet director merely a passive transmission belt mechanically conveying instructions from central planning organs to the shop floor. The organization of the gross economy itself made such a description inadequate. Higher planning and administrative organs established production targets, resource constraints, and other binding parameters, but the concrete organization of production necessarily took place at the level of the enterprise. Archival research by Markevich and Gregory[5] reconstructs a multilevel hierarchy linking the central political and economic authorities, industrial ministries, their main administrations (*glavki*), and individual enterprises. Operational planning took place not only in the higher planning bodies but also within ministries, *glavki*, and the enterprises themselves. Enterprises in turn interacted continuously with superior organs over plans, targets, and the allocation of resources.

The same archival evidence therefore reveals a hierarchical structure in which command from above coexisted with concrete decision-making below. Markevich and Gregory[5] characterize the Soviet planning structure as a form of "nested dictatorship": higher organs commanded lower ones, while each subordinate level exercised authority over the units beneath it. The enterprise was therefore neither an autonomous capitalist firm nor a mere mechanical endpoint of a single command issued from the center. It was a distinct production unit situated within a wider hierarchy of planning and command.

Thus one elementary historical fact can be established. The elimination of the bourgeoisie as the private owner of the Soviet factory did *not* eliminate the separate function of direct economic command over that factory. That function remained materially present and was embodied in a specific position within the Soviet enterprise: the director. Soviet industrial organization therefore systematically reproduced persons who did not own the enterprise as private capital, but who nevertheless directed its day-to-day activity, organized production and labor, exercised substantial authority within the production unit, and remained accountable to the superior planning hierarchy for its performance [124].

From the Gross Economy to the Anti-Market

If one follows the same logic consistently and regards China, Vietnam, Cuba, and other similar states as preserving a form of power that expresses the interests of the working class, an even more interesting picture emerges. Unlike the Soviet gross economy, these systems introduced market or market-like mechanisms into economic organization. Within the present theory, this form is termed the *anti-market*.

China provides the clearest example. Beginning with the reforms of the late 1970s, the Chinese economy gradually permitted private entrepreneurship, competition, and private ownership alongside the state sector [6]. At the same time, the Constitution of the People's Republic of China continues to define the state-owned economy as the leading force of the national economy, while the non-public sector is recognized as an important component of the socialist market economy whose development the state encourages, supports, guides, supervises, and regulates [7]. In 2025, this position was further institutionalized through the adoption of a special law promoting the private economy, which established the development of the private sector as a long-term component of China's economic system [8].

As a result, alongside state-owned enterprises there emerged a substantial class of private entrepreneurs and owners—what may be termed here the *national bourgeoisie*. Unlike the director of the Soviet enterprise, such an economic organizer acquires his position not primarily through administrative appointment, but through entrepreneurship, competition, and market selection. Research on Chinese private entrepreneurs has likewise shown that the growth of private capital occurred alongside its political incorporation into, rather than the displacement of, the existing party-state system [9].

Similar developments occurred elsewhere. In Vietnam, the *Đổi Mới* reforms were followed by the legal recognition and expansion of private enterprise. The Company Law and the Law on Private Enterprises of 1990, followed by the Enterprise Law of 1999, created and substantially broadened the legal framework within which private firms could emerge and develop [10]. In Cuba, private small and medium-sized enterprises were formally authorized in 2021, while the state simultaneously continued to define the state enterprise as the principal actor of the national economy [11].

Soviet history itself had already contained an earlier and more limited example of a similar development during the New Economic Policy. The NEP permitted a layer of private traders and entrepreneurs—the *Nepmen*—to operate alongside the continued political rule of the Bolsheviks and the state sector of the economy [12]. The Nepman, the Chinese national bourgeois, and private entrepreneurs appearing in other such systems therefore emerged under different historical conditions but occupied a comparable immediate position as private organizers of individual economic units.

Thus, both in the Soviet gross economy and in the anti-market, direct management of the individual economic unit does not pass to the workers' collective as such. What differs first of all is the mechanism through which the economic organizer emerges. In the former case, this is a *director* appointed by the system; in the latter, it is a *national bourgeois* selected through market mechanisms subordinated to the state. At this point, it is sufficient simply to establish this empirical difference.

Painted Red

For the purposes of the following analysis, it is useful to assign names to the two forms of local economic leadership already observed.

Within Polar Marxism, a *red director* is the direct head of an individual enterprise, or of a group of enterprises, located in Contour B under the conditions of the gross economy. The term refers primarily to a structural position within the economy: the red director organizes and directs an individual productive unit, while systemic command over the economy remains above that unit.

The expression *red director* existed independently of the present theory, but historically it was used in a less precise and somewhat variable sense. It could refer specifically to Communist industrial managers or, more broadly, to Soviet enterprise directors in general. Simon Pirani explicitly notes this ambiguity, observing that the expression could mean Communist managers specifically or industrial managers more generally [13].

The term is used here in a broader but more precise structural sense. The individual political biography of a particular manager, or whether contemporaries themselves called that person a "red director", is irrelevant to the definition. If a person is the direct economic head of an individual productive unit in Contour B within the gross economy, that person occupies the position of a *red director*.

For the anti-market economy, the corresponding category will be termed the *national bourgeoisie*, or, more briefly, the *red bourgeoisie*. Here again, the term denotes a structural position rather than a particular historical identity. It refers to a private owner or entrepreneur who directly commands an individual productive unit in Contour B and whose position is reproduced through the market mechanisms of the anti-market.

The historical expression *national bourgeoisie* also predates the present theory and was used in a different and narrower sense. Mao Zedong, for example, used the term to describe the Chinese middle bourgeoisie and distinguished it from the comprador and other sections of the bourgeoisie [14]. Likewise, the expression *red capitalists* has been used in contemporary scholarship in a narrower sense, particularly for Chinese private entrepreneurs incorporated into the Communist Party and the party-state system [9].

Polar Marxism abstracts these terms from such particular historical characteristics. A national bourgeois does not have to belong to the Communist Party, originate from a particular political milieu, or operate in a particular industry. What matters is the position occupied within Contour B: the national bourgeois is the local private economic commander of an individual productive unit within the anti-market.

The distinction can therefore initially be expressed in a very simple form:

$$\text{gross economy} \longrightarrow \text{red director},$$

$$\text{anti-market} \longrightarrow \text{national bourgeois, or red bourgeois.}$$

The Soviet director and the national bourgeois appear in radically different legal forms. Yet both are, in a precise sense, *painted red*.

In neither case is the workers' collective itself the dominant institutional form of direct command over the individual enterprise. This does not imply the complete absence of worker participation. Soviet enterprises contained institutions of worker participation, and the Constitution of the People's Republic of China formally provides for democratic management of state-owned enterprises through employee congresses and other means [7]. Such institutions, however, coexist with directors, managers, owners, and other distinct heads of productive units. They therefore do not eliminate the separation between the immediate producer and the local economic commander.

Antibourgeoisie

What we observed first in the Soviet Union and then in the anti-market economy becomes clearer if we return to an important distinction made by Marx. In the third volume of *Capital*, Marx distinguishes capital as property from capital as function. Discussing interest-bearing capital, he explicitly describes the relation as "capital as property as against capital as function" [15]. This distinction becomes particularly visible in the joint-stock company, where, as Marx writes, the function itself becomes separated from ownership of capital [16].

The issue here is not merely the juridical form of ownership. Marx separately examines the labour of supervision and management and argues that the cooperative labour of many individuals itself requires coordination and a certain “commanding will” that unifies the common productive process. The function of directly organizing production is therefore not identical with capitalist ownership and can exist separately from it. This is precisely why developed capitalism can place a hired director, executive, or manager between the owner of capital and the immediate process of production [17].

The subsequent development of the large corporation made this separation still more visible. Berle and Means described the separation of ownership and control as one of the central characteristics of the modern corporation: the owners of capital may be numerous and passive, while immediate control over the enterprise becomes concentrated in professional management [18]. Later, Duménil and Lévy, working directly within a Marxist problematic, went further and raised the question of managers as a distinct class formation emerging through the historical separation of management from ownership [19].

This problem intersects with the broader question of representative class functions. Within Polar Marxism, management is understood as the economic representation of capital, while politicians perform its political representative function. In anticapitalism the relation is inverted: the nomenklatura acts as the representative of the aggregate proletariat and combines political and economic-managerial functions that under capitalism are divided between politicians and managers. This issue has independent theoretical importance, but it will not be examined in detail in the present work.

For the following analysis, the concept of an **independent social bearer of a function** is crucial. What is at issue is not simply the person who technically performs managerial labour, but the social position to which the corresponding economic function is ultimately attached. In an ordinary capitalist enterprise, a hired manager may in practice organize production, but behind that manager stands the capitalist as the ultimate private bearer of local economic authority. The manager exercises management as the capitalist’s representative or substitute.

Polar Marxism proceeds from the premise that the elimination of the systemic power of capital does not eliminate the necessity of managing individual productive units. Anticapitalism remains a class and planned society and therefore preserves the distinction between manager and managed. At the systemic level, the owner of the economy as a whole becomes the aggregate proletariat, while the nomenklatura acts as its political, managerial, and coercive representative. Contour B, however—the immediate productive contour composed of individual enterprises and productive nodes—still requires concrete economic leadership.

The nomenklatura establishes the general conditions under which Contour B operates, directs its development, and subordinates it to systemic objectives, including through the reproduction of local economic leaders by the mechanism of selection corresponding to the particular form of the Plan. In the gross economy this is predominantly administrative selection; in the anti-market economy it is market selection subordinated to the system; in another form of the Plan, such as a network economy, the corresponding mechanism may be different. The mode of selection is therefore neither random nor economically irrelevant. Its purpose is to select those organizers of individual productive nodes who are capable of ensuring the most effective functioning of production and thereby contributing to systemic growth and the operation of the law of catching-up development. The mechanisms of selection differ, but the systemic necessity of selection itself remains.

It is here that the distinction from the ordinary capitalist manager emerges. Behind the head of an enterprise in an anticapitalist system stands an owner of a higher order—the system as a whole, owned by the aggregate proletariat and directed through its nomenklatura representative. But behind the local economic leader there is no separate private owner of that particular productive node whose function the leader merely performs as a hired substitute.

The hypothesis of Polar Marxism is that the persistence of a distinct local economic function requires a concrete social bearer of that function. Under capitalism, the capitalist is its ultimate private bearer. If the capitalist is removed from this position while the productive node and the necessity of its immediate organization remain, the system must nevertheless place a concrete person in that position. Whether this person is selected administratively, through market mechanisms, or through some other mechanism is secondary in this particular respect. If this person constitutes the final personal link of local economic command and behind that person there stands only the system as a whole rather than another private owner, then that person thereby becomes the ultimate bearer of the function. In other words, once deprived of its former private bearer, the function becomes socially attached to the person whom the system places in the ultimate local position.

This hypothesis does not arise from logical construction alone. We have already observed precisely such a separation between systemic and local command historically. In the gross economy, the ultimate social bearer of the local economic function is the *red director*. In the anti-market economy, the same position is occupied by the *national bourgeois*, or *red bourgeois*. Their juridical form, mechanism of selection, and relation to ownership differ, but within Contour B they perform the same structural function.

Within Polar Marxism, these different forms are united under the concept of the **antibourgeoisie**.

> ***Definition 1 (Antibourgeoisie).*** *The antibourgeoisie is the independent social bearer of the function of local economic command in an anticapitalist system, from which the function of systemic command through capital has been removed—that is, the function whose possession in a capitalist system would make the corresponding class the bourgeoisie as such.*

> ***Definition 2 (Red Director).*** *The red director is the antibourgeoisie of the gross economy, heading an individual productive unit in Contour B under gross administrative command.*

> ***Definition 3 (National Bourgeoisie).*** *The national bourgeoisie (or red bourgeoisie) is the antibourgeoisie of the anti-market, privately commanding an individual productive unit in Contour B through state-subordinated anti-market selection.*

Another Contradiction of the Plan

If the existence of the antibourgeoisie is accepted as a historically observable and logically derivable class position, its emergence ceases to appear as an exception peculiar to any particular form of anticapitalism. Within Polar Marxism, the antibourgeoisie must instead be reproduced for as long as anticapitalist society remains a class society rather than passing into communism.

Anticapitalism, in this sense, represents a class inversion of capitalism. Under capitalism, the bourgeoisie owns the system and constitutes the ruling class, while the proletariat occupies the subordinate position. Under anticapitalism, this relation is inverted: the aggregate proletariat becomes the owner of the system as a whole and is represented at the systemic level by the nomenklatura, while the antibourgeoisie occupies the subordinate position of local economic command. With this reversal of class polarity, the systemic laws themselves also change: the power of capital gives way to the power of anticapital, while the subordination of economic activity to private accumulation gives way to its subordination to systemic development and the law of catching-up development.

Such an understanding preserves the relational logic of Marx's own conception of class. For Marx, capital and wage labour exist as two sides of a single social relation: "capital presupposes wage-labour; wage-labour presupposes capital" [20]. The bourgeoisie and the proletariat are therefore mutually defined through the opposed positions they occupy. The disappearance of one of these opposed class positions entails the disappearance of the corresponding class relation itself. Polar Marxism extends this relational logic to anticapitalism, treating it as an inverted class system that has not yet become classless.

The antibourgeoisie therefore encompasses different historical forms and is not defined by the existence of private property. As shown above, its juridical shell and its mechanism of reproduction may change together with the form of the Plan, while the underlying local class function persists.

From this follows another internal contradiction of the Plan. The Plan requires the antibourgeoisie. The nomenklatura may determine the direction of development, strategic constraints, resources, and the general conditions under which Contour

B operates, but the immediate organization of an enormous number of individual productive nodes requires local economic leaders. As already shown, each form of the Plan develops an appropriate mechanism for reproducing such local organizers so that the productive nodes operate effectively and thereby contribute to the growth of the system.

The interests of the antibourgeoisie need not subjectively coincide with those of the aggregate proletariat. Its representatives may pursue profit, bonuses, status, expansion of their enterprise, greater command over resources, or other local advantages. The Plan organizes Contour B so that the realization of such private and local interests simultaneously contributes to the development of the system as a whole.

The function of the antibourgeoisie therefore extends considerably beyond the routine administration of an already given production process. It includes local initiative, enterprise, organizational creativity, and the capacity to create new productive combinations. A comparable distinction on this specific point can be found in a very different theoretical tradition. Schumpeter, for example, separated the entrepreneurial function from the ownership of capital and defined it through the carrying out of “new combinations”; according to his own formulation, the bearer of this function could be an independent owner, a hired manager, or another employee of a firm. He further observed that new combinations could also arise in a socialist economy not based upon exchange [21].

This helps specify the content of the antibourgeois function. The antibourgeoisie is the ultimate bearer of the current management of a local productive node and simultaneously the bearer of the local initiative required for its development. The creation of a new enterprise, a new technology, a new organizational form, or a new combination of resources belongs to the same sphere of local economic command. The system therefore requires a subject capable of acting independently within the boundaries established by the system, displaying initiative, and producing new economic solutions.

At this point, the property of the antibourgeoisie established above acquires a further significance. Since Contour B cannot exist without independent local organizers, the Plan necessarily and continuously reproduces the antibourgeoisie.

In doing so, it also reproduces an independent local interest: the pursuit of profit, resources, expansion of the enterprise, status, initiative, or some other advantage associated with the economic position occupied. This interest need not coincide with the interest of the aggregate proletariat. Anticapitalism therefore retains a real class contradiction between the systemic owner and the subordinate local economic class.

A characteristic double movement of the Plan follows from this relation. In order to realize the law of catching-up development, the Plan must form and develop Contour B and therefore continuously produce a local master capable of initiative, organization, and development of the individual productive node. At the same time, this local master must remain unable to transform local authority, accumulation, and private interest into power over the reproduction of the system as a whole. The reproduction of the antibourgeoisie therefore simultaneously entails the continuous negation of its systemic sovereignty. This feature may be designated as the *principle of the reproduction and negation of the local master*:

> ***The Plan must produce the local master and simultaneously negate his systemic sovereignty.***

This constitutes another contradiction of the Plan. The antibourgeoisie is necessary for the development of the system precisely as the independent bearer of local economic initiative, while the preservation of the anticapitalist system requires that this independence remain local. The complete elimination of the antibourgeoisie would eliminate a function necessary for the development of Contour B; the transformation of its local power into systemic power would restore the power of capital and thereby negate anticapitalism itself. The two sides therefore belong to a single process: **the law of catching-up development requires the reproduction of the antibourgeoisie, while the anticapitalist form of that development requires the continuous negation of its systemic power.**

Returning to the Soviet Union

We can now briefly return to the Soviet case. As already shown, the director of a state enterprise possessed substantial authority within the individual productive node. Under the principle of one-man management, the director bore responsibility for the enterprise and headed its immediate administration, while operational planning also took place at the level of the enterprises themselves [25]. Archival research further shows that Soviet managers pursued their own local interests, including income, promotion, and economic autonomy, and developed their own strategies for achieving plan targets [22].

In this sense, the Soviet director possessed the local economic authority that under capitalism is carried by the bourgeoisie as the master of the individual productive node. His authority, however, ended at that level. He did not own capital, did not determine the systemic direction of accumulation, and remained subordinate to the higher planning and political hierarchy. Even the director's own interests were largely realized through plan fulfillment, since income, bonuses, promotion, and career prospects depended upon enterprise performance [22].

The Soviet red director therefore represents the most transparent form of the antibourgeoisie: **the local economic function of the bourgeoisie is preserved, while the function of the systemic power of capital is absent from its bearer.**

Returning to China

We can now return to China. The scale of the national bourgeoisie there is indeed enormous. According to the officially used "56789" formula, the private sector contributes more than 50 percent of tax revenue, 60 percent of GDP, 70 percent of technological innovation, 80 percent of urban employment, and accounts for 90 percent of all enterprises [23]. This means that an enormous part of China's Contour B is organized by private owners and entrepreneurs. Yet the sheer scale of the local productive contour tells us nothing by itself about the systemic power of those who direct it. In the Soviet Union, an enormous mass of production was likewise organized through individual enterprises under the immediate direction of directors who remained elements of a higher planning and administrative hierarchy [25].

This distinction between economic autonomy and systemic power has also been identified in studies of China's entrepreneurial stratum itself. Margaret Pearson, examining the formation of China's new business elite, showed that economic reform created considerable autonomy for entrepreneurs at the microeconomic level without producing a corresponding autonomous political power of the entrepreneurial class [24]. Soviet directors similarly possessed substantial room for independent economic action within their enterprises while remaining embedded within a higher political and planning structure [25].

The Chinese entrepreneur possesses a distinct local interest, seeks profit and expansion of the firm, establishes political connections, and attempts to influence state decisions through the institutional channels available to him [926]. The Soviet director did functionally similar things in a different economic form: bargaining with superior authorities over resources and plan targets, defending enterprise autonomy, exploiting local informational advantages, and developing his own strategies for fulfilling the plan [2225]. The existence of a distinct interest, connections with the state, and the capacity to influence particular decisions therefore characterizes an active local economic subject without making that subject the systemically ruling class.

Later research on Chinese entrepreneurs makes the comparison still more precise. Heberer and Schubert describe them as a "strategic group" capable of coordinating action, defending its interests, and increasing its bargaining power while operating within the existing political coalition rather than as an independent center of power outside it [27]. Comparable forms of collective pursuit of local interests existed within the Soviet system: studies of Soviet interest groups identified industrial, ministerial, and economic lobbies through which enterprise managers and administrative bodies competed for resources and decisions within the existing order [2829]. Lobbying, collective interests, and bargaining power are therefore observable in both forms and are not equivalent to systemic class power.

The similarity is particularly visible in the relationship between local economic leaders and the political organization of the system. In China, private entrepreneurs may join the Communist Party, while Party organizations are systematically established inside private firms. The share of private enterprises with Party cells rose from 21 percent in 2010 to 73 percent in 2017, and by 2020 Party organizations existed in 92 percent of the 500 largest private companies [30]. The All-China Federation of Industry and Commerce, which represents private business at the national level, itself operates under the leadership of the Communist Party. The Soviet form was different, but the relationship was familiar: directors of major enterprises, Party secretaries, and other economic officials were incorporated into the cadre and nomenklatura structures through which the Party controlled appointments and the circulation of economic leadership [31][32]. In both cases, the local economic leader is connected to the political center and incorporated into its institutional structure.

The same parallel appears directly at the level of the enterprise. Koss analyzes the expansion of Party organizations into China's non-state sector as the extension of Communist Party authority to the "business frontier" [33]. A Soviet functional analogue existed much earlier in a more administrative form: Party organizations within enterprises participated in supervising production targets, enterprise administration, and the use of state resources [34]. In both cases, the political organization of the system is institutionally present within the productive space directed by the local economic bearer.

The boundary becomes still clearer at the level of finance and the commanding heights. State ownership remains predominant within the Chinese banking system, while credit allocation responds directly to state industrial policy [35]. Strategic sectors likewise preserve a privileged position for state capital and Party-state regulation [36]. The Soviet functional analogue was considerably more administrative: Gosbank and the other financial institutions served planned allocation, and credit was organized so as to follow the physical plan [25]. The institutional forms differ, but in both cases the local economic class does not transform its accumulation into autonomous command over systemic credit and the strategic direction of accumulation.

Finally, Kellee Tsai gave Chinese private entrepreneurs the characteristic description “capitalists without a class”. Within her own conceptual framework, this refers to the absence of sufficient political cohesion and collective organization for entrepreneurs to constitute an autonomous political class [26]. Polar Marxism defines class through a common position in the relations of production and therefore treats the national bourgeoisie as a class. Tsai’s formulation nevertheless identifies an important feature of its systemic position: an enormous class of local owners does not thereby become an autonomous systemic power. Soviet directors likewise possessed their own interests, connections, and room for economic maneuver, while their careers and authority continued to be reproduced within a vertical cadre and planning structure [3122].

Additional confirmation can be found in studies of business associations. Unger shows that the new associations of private business in China functioned as institutional bridges between entrepreneurs and the state, providing mechanisms for the expression of economic interests while preserving organizational links with the state apparatus [37]. A Soviet functional analogue can again be observed in the collective expression of industrial and departmental interests through existing administrative structures without the formation of a separate center of systemic ownership and power [28].

The difference between the Soviet director and the Chinese national bourgeois is therefore considerably smaller than the opposition between state and private property might suggest. The former directed a local productive node administratively, while the latter privately owns it; both pursue their own local interests, interact and bargain with the state, remain connected to its political structure, and organize an enormous mass of immediate production. Neither the Soviet director nor the Chinese national bourgeois, however, transforms this local economic power into command over the system as a whole. The Chinese national bourgeoisie therefore occupies the same antibourgeois class position in a different, private-property form.

When the Director Became an Owner

The collapse of the Soviet Union makes it possible to examine the position of the red director from the opposite direction. Such a transition cannot, of course, be treated as a clean experiment. The destruction of the previous system simultaneously transformed property rights, markets, political institutions, state boundaries, and the opportunities available to individual actors. A director could lose his enterprise, a worker could become an entrepreneur, a state official could become a private owner, and entirely new actors could enter the economy. Individual class trajectories were therefore necessarily heterogeneous. Precisely for this reason, however, a strong statistical continuity emerging under such conditions is especially significant: the transformation of the system opened numerous possible trajectories, yet the distribution of the new property relations was far from arbitrary.

In Russia, privatization acquired a strongly insider character from the beginning. By the summer of 1993, insiders already held a majority of shares in approximately two-thirds of enterprises that had been privatized or were undergoing privatization [38]. The most popular privatization option allowed employees and management to acquire 51 percent of the voting shares, and it was selected by roughly three quarters of participating enterprises. Subsequent studies likewise found persistently high levels of employee and managerial ownership during the first years of privatization [39]. Between 1992 and the end of 1995, more than 100,000 small enterprises and almost 18,000 medium and large enterprises were privatized in Russia [40].

The change in legal ownership frequently preserved the existing economic leadership of the enterprise. Soviet managers entered privatization already possessing organizational authority, knowledge of the enterprise, relations with suppliers and administrative bodies, and control over much of its internal information. Even where shares were initially distributed widely among employees, effective control often remained concentrated in management and could subsequently be reinforced through the acquisition of employee shares. Studies of Russian enterprises found substantial continuity in the managerial corps: between

1992 and 1996 only about one third of medium and large enterprises replaced their general director, and in approximately 80 percent of those replacements the successor came from within the same enterprise [41].

Ukraine reproduced the same general pattern. In 1992–1994, 1,240 medium and large enterprises were privatized through lease buyouts by managers and employees. During the subsequent mass privatization program of 1995–1998, another 9,240 medium and large enterprises were privatized [42]. The transformation therefore involved a substantial part of the former Soviet productive structure rather than a marginal group of enterprises.

Enterprise-level studies also show the persistence of insider ownership after Ukrainian privatization. Immediately following privatization, employees, managers, and former employees together held an average of 55.8 percent of the shares in the surveyed enterprises; by the end of the period examined, their combined share still stood at 55.1 percent. Within insider-controlled firms, ownership became increasingly concentrated in management as managers acquired shares previously distributed among employees [43]. The institutional design itself facilitated such continuity: Ukrainian managers received preferential opportunities to purchase shares, while earlier lease-buyout arrangements had already allowed managers and workers to transform control over state enterprises into ownership rights [44].

None of these figures implies that every red director became a capitalist, or that every post-Soviet capitalist originated in the Soviet managerial stratum. A systemic collapse necessarily produces considerable individual mobility between social positions. What matters here is the aggregate pattern. Across thousands of former Soviet enterprises, the actors already located inside the productive unit repeatedly retained control, obtained privileged access to ownership, and in many cases concentrated that ownership in the hands of management. Under conditions in which numerous alternative individual trajectories were possible, the transformation nevertheless displayed a pronounced continuity between the former position of local economic command and the new position of private ownership.

This continuity is important for the concept of the antibourgeoisie. Before the collapse, the red director was already the independent social bearer of local economic command over the productive node, while private ownership and the systemic function of capital were absent from his position. With the destruction of the gross economy, this previously existing local command proved in a massive number of cases directly convertible into private property. The economic organizer did not have to be created anew: the transformation frequently changed the juridical form of a position whose local productive content already existed.

This result, however, establishes only the continuity of the local economic position. It does not yet establish that the resulting private owner became a bourgeois in the full systemic sense. China has already demonstrated that the transformation of a planned economic form can produce private owners and a national bourgeoisie without transferring systemic power to that class. The acquisition of a private title therefore proves a transformation in the form through which local economic command is reproduced, but it does not by itself prove the restoration of the systemic power of capital.

The next question is consequently different. Did the post-Soviet private owners become a bourgeoisie that combined local economic command with the systemic function of capital—a class capable of directing accumulation, shaping the reproduction of the system as a whole, and thereby ruling through capital? Or did private ownership emerge while systemic command remained, or was subsequently re-established, above the local owners themselves? Privatization alone cannot decide between these possibilities. It establishes the passage from the gross economy to a new market-like form; whether this transformation produced a bourgeoisie or another historical form of the antibourgeoisie must be determined at the level of systemic power.

The Bourgeois Interregnum: Against Capitalist Restoration

To understand the subsequent fate of the post-Soviet bourgeoisie, it is first necessary to determine the character of the transition itself. Within Polar Marxism, the primary cause of the transformation of the Soviet Union was the historical exhaustion of the productivity of the *gross economy* as the first form of the Plan. This theoretical definition corresponds closely to the observable dynamics of the Soviet economy. Mark Harrison's reconstruction identifies a clear negative break in Soviet productivity dynamics during the 1970s and relates the preceding high rate of postwar growth substantially to progressively exhausted opportunities for recovery. Easterly and Fischer likewise identify a long-term decline in the returns to additional capital and increasingly weak comparative Soviet growth performance between 1960 and 1989 [45][46].

The primary problem was therefore the necessity of replacing one organization of Contour B with another. Late Soviet reforms were already moving in precisely this direction. The 1987 Law on the State Enterprise expanded the economic autonomy of enterprises, introduced self-financing, and was intended gradually to release part of enterprise output from direct central allocation into a more market-like environment. The 1988 Law on Cooperatives subsequently expanded the sphere of independent economic activity still further, including the possibility of leasing property, employing labour, and attracting capital. The joint study of the Soviet economy prepared by the IMF, World Bank, OECD, and EBRD likewise treated enterprise reform as a central element of the transition toward a market system [47][48].

In the terminology of the present theory, what was taking place here was a transformation

$$\text{gross economy} \longrightarrow \text{market-like economy},$$

that is, a restructuring of Contour B itself. Private property, profit, and a market mechanism for the selection of the local economic organizer could emerge as elements of the new form without thereby implying the transfer of systemic power to the bourgeoisie. The Chinese case examined above already demonstrates the possibility of a private Contour B existing within an anticapitalist system.

In the Soviet case, however, this economic transformation historically coincided with a second process. The old *Command Core* had been reproduced within the institutional structure of the gross economy and could not simply transfer itself intact into a new form of the Plan. The law determining this limitation of the Command Core will not be examined in detail here; what matters is its historical result. Studies of the late Soviet system document the rigidity of the existing party-economic structure and the difficulty of introducing even limited market mechanisms within it [49]. By 1991, the collapse of Party legitimacy and of the previous mechanisms of administration had produced what Alec Nove characterized as a political and administrative "power vacuum", under conditions in which the central authority was no longer capable of pursuing a coherent economic policy [50].

Two distinct mechanisms therefore historically converged. The necessary restructuring of Contour B was moving enterprises from the gross economy toward a market-like form; simultaneously, the destruction of the old Command Core temporarily disorganized Contour A. It was precisely the coincidence of these two processes that produced the specific situation of the 1990s. Privatization gave local economic commanders private titles of ownership, while the systemic authority that had previously stood above them was sharply weakened. The emerging private owner therefore acquired the possibility of converting economic power not merely into command over an individual productive node, but into much broader political power.

This temporary autonomy of capital is well documented. By the middle of the 1990s, a small group of Russia's largest entrepreneurs had acquired sufficient political influence to affect the formulation and enforcement of legislation, finance deputies of the State Duma and even government ministers, and negotiate individual arrangements with the state over taxation [51]. Research on transition economies using the 1999 BEEPS data formalized such relations through the concept of "state capture": private firms could influence not merely the application of existing rules but the formation of the "rules of the game" themselves [52].

The concentration of economic power was likewise extraordinary. Guriev and Rachinsky[53] found that the twenty-two largest private owners controlled approximately 42 percent of employment and 39 percent of sales in their sample of the largest Russian enterprises, covering industries responsible for 77 percent of industrial output. Their business groups operated simultaneously across multiple industries and regions. During this particular phase, the private owner could therefore combine local economic command with ownership of capital and a substantial capacity to influence the political system itself.

It is this historical interval that produced what is commonly interpreted as the *restoration of capitalism*. Within Polar Marxism, however, the process has a different meaning. Privatization itself belonged to the transformation of Contour B and therefore said nothing by itself about the ultimate class character of the system. Temporary bourgeois power arose because this transformation coincided with the destruction of the previous Command Core. In other words, the bourgeois autonomy of the 1990s was not the necessary content of the new market-like form, but the consequence of a temporary disequilibrium between an already transforming Contour B and a Contour A that had not yet been reconstructed.

Subsequent Russian history reveals the opposite movement. From 2000 onward, political authority was progressively concentrated within the federal executive hierarchy. Seven federal districts headed by presidential representatives were established, while subsequent reforms between 2001 and 2005 systematically shifted both the vertical and horizontal balance of power toward the federal executive. Taylor[54] describes the reconstruction of the administrative vertical as one of the central tasks of early Putin-era state building. Research on the political connections of Russia's wealthiest entrepreneurs similarly documents a transformation in the position of business: between 2003 and 2010, political participation progressively ceased to yield the returns it had previously provided, and major business increasingly withdrew from direct political participation [55].

The relationship between the state and large capital therefore changed direction. Rochlitz, Kazun, and Yakovlev[56] periodize the post-Soviet development precisely through a movement from "state capture" in the 1990s to "business capture" in the 2000s and, after 2009, toward an even more centralized system of property dependence. This distinction is crucial for the present argument: private ownership remained, while the capacity of the large private owner autonomously to transform wealth into power over the political apparatus became increasingly restricted.

At the same time, a new Contour A was being formed. Tompson[57] already observed, with reference to developments after 2004, a substantial expansion of the state's direct role in the ownership and control of assets in strategic sectors—oil, finance, aviation, and power-equipment production—and characterized this tendency as an expansion of state control over the "commanding heights" of the economy. The financial system moved in the same direction. By the end of 2004, state-controlled banks held approximately 38 percent of banking assets, 42 percent of credit, and 66 percent of household deposits; by the beginning of 2013, their share had risen to 50.4 percent of total banking assets and 53.8 percent of lending to non-financial corporations [58][59].

The Soviet institutional superstructure was not restored. The new Command Core did not recreate Gosplan, the former legal structure of state ownership, or the old Party organization. It formed within the already existing post-Soviet presidential, parliamentary, juridical, corporate, and market institutions and gradually monopolized systemic command through them. Research on Russian marketization likewise shows that market formation after the collapse of the Soviet Union did not proceed through the simple disappearance of the state: state and sectoral institutions actively reorganized and directed the construction of new markets [60].

Within Polar Marxism, it is at this point that a *new Command Core* emerges. It forms a new Contour A and begins functionally to perform the same systemic role previously performed by the nomenklatura: it represents the systemic power of the aggregate proletariat, determines the general trajectory of development, and subordinates Contour B to it. Its political and juridical shell need not resemble the Soviet one. For the determination of class, what matters is the function rather than the external institutional form.

This also allows the operation of the *centrifugal tendency* to be specified more precisely. Within the present theory, the centrifugal tendency denotes the internal anticapitalist direction of a peripheral system: its tendency to move away from subordination to the imperialist Center and to reproduce its own structure of systemic command over development. The consolidation of Russia after 2000 is interpreted here as a concrete historical manifestation of this tendency. The empirical literature directly documents state centralization, the loss by large business of its former political autonomy, and the return of strategic economic levers to state control; their unification under the concept of the centrifugal tendency is the theoretical interpretation supplied by Polar Marxism.

> ***Definition 4 (Centrifugal Tendency).*** *The centrifugal tendency (or anticapitalist tendency) is the internal anticapitalist direction of a peripheral system—its tendency to break away from subordination to the imperialist Center and to establish or reproduce the systemic power of the aggregate proletariat over economic development.*

The same segment of the economic class could consequently pass through three distinct positions. The red director of the gross economy was an antibourgeois because he possessed local economic command without the systemic power of capital. During the destruction of the old Command Core, the private owner could temporarily become a bourgeois in the full sense, since local command and private ownership were joined by a genuine capacity to influence the system as a whole. After the consolidation of the new Command Core, private ownership remained, while systemic power was once again located above the owner. The national bourgeoisie thereby returned to the position of the antibourgeoisie.

The Russian sequence should therefore not be represented as the simple line

$$\text{anticapitalism} \longrightarrow \text{restoration of capitalism,}$$

but as the historical intersection of two distinct processes:

$$\text{gross economy} \longrightarrow \text{transformation of Contour B} \longrightarrow \text{market-like economy,}$$

and simultaneously,

$$\begin{aligned} \text{old Command Core} &\longrightarrow \text{disintegration} \longrightarrow \text{temporary systemic disorganization} \\ &\longrightarrow \text{new Command Core} \longrightarrow \text{new Contour A.} \end{aligned}$$

Their temporary intersection produced the genuine but transitional bourgeois autonomy of the 1990s. The subsequent consolidation of the Command Core did not return Russia to the Soviet gross economy. It completed the transition toward another anticapitalist form in which a private Contour B exists under the systemic command of a new Contour A. In this respect, the resulting structure displays an evident functional similarity to the anti-market examined in the Chinese case, although Russia is not the Anticenter and its political superstructure, historical position, and position within the world system are fundamentally different.

The Real Restoration: Ukraine and Proxy-Fascism

Ukraine began with the same post-Soviet transformation that we have just examined in the Russian case. The destruction of the gross economy was accompanied by the privatization of Contour B, the transformation of a substantial part of the former economic leadership into private owners, and the temporary disorganization of systemic command. Yet whereas in Russia this initial disorganization eventually culminated in the formation of a new Command Core and a new Contour A, the Ukrainian trajectory stopped at a different stage.

Private economic power in Ukraine retained an exceptionally strong capacity to convert itself directly into political power. According to the World Bank, politically connected companies represented only about 2 percent of Ukrainian firms, yet accounted for more than 20 percent of total turnover and more than a quarter of all corporate assets. In extraction, energy, and transport, their share exceeded 40 percent of turnover and half of the assets of the respective sectors [61]. The literature therefore describes post-Soviet Ukraine as a system of competing patronal and oligarchic networks, none of which succeeded in establishing a durable monopoly over the state. Attempts at such consolidation were made under Kuchma and later under Yanukovych, but both failed; in this respect Ukraine differed from Russia, where after 2003 a single state-political network succeeded in subordinating competing centers of power [62].

Within the present theory, we assume that Ukraine, like any other peripheral system, was subject to the *centrifugal tendency*. After the destruction of the old Command Core, the system possessed an internal tendency to separate systemic command once again from the autonomous power of capital, form its own Contour A, and subordinate fragmented economic-political centers to it. This is what occurred in Russia. In Ukraine, attempts at state consolidation also emerged, but none culminated in the durable formation of an autonomous Command Core.

It is at this point that the Russian and Ukrainian trajectories begin to diverge. Another force systematically entered the Ukrainian process: the political, financial, and institutional influence of the capitalist Center.

The Orange Revolution of 2004 represents one of the best-documented early episodes. Michael McFaul, specifically examining the role of external influences in its outcome, concluded that although the principal contradictions were domestic, Western assistance played a *direct causal role* in altering the balance of forces. It contributed to the development of independent media, opposition infrastructure, protest mobilization, and, especially, mechanisms for detecting electoral fraud; external resources thereby constrained the capacities of the incumbent authorities while strengthening their opponents [63]. Domestic Ukrainian political forces were already operating in an environment in which external resources affected their relative ability to determine political outcomes.

By 2013, the scale of such influence had become substantial. Victoria Nuland publicly stated that since 1991 the United States had invested more than $5 billion in programs connected with the development of Ukrainian democratic institutions, civic participation, good governance, and other fields associated by U.S. policy with Ukraine's European trajectory [64]. During Euromaidan, the U.S. administration publicly supported the movement and pressed the incumbent government to respond to its demands. Political struggle within the Ukrainian system was therefore already taking place within a field of considerable and openly declared external influence.

After 2014, this mechanism became substantially deeper. The European Commission explicitly describes the Association Agreement and DCFTA as the *blueprint* for Ukraine's reform program, while defining the general objective of the relationship as deeper economic integration and political association with the European Union. Between 2014 and 2021 alone, the EU together with the EIB and EBRD provided more than EUR 17 billion in grants and loans for stabilization and transformation [65].

At the same time, Ukraine entered large IMF programs characterized by extensive conditionality. In April 2014, a Stand-By Arrangement of approximately $17.01 billion was approved, with subsequent disbursements dependent on regular reviews and performance criteria. The program extended across monetary and exchange-rate policy, banking, the budget, energy, state-owned companies, procurement, taxation, governance, and the business environment. The IMF later characterized the conditionality of the 2014 program as broad, front-loaded, and more complex than in previous Ukrainian programs and comparable exceptional-access arrangements [66]. In March 2015, it was replaced by a four-year Extended Fund Facility of $17.5 billion designed to continue and deepen structural and governance reforms [67].

External participation also extended directly into the institutional reproduction of the state apparatus. The EU Advisory Mission, established in 2014, included more than 300 Ukrainian and international personnel and provided strategic advice and practical support for reform of the Ministry of Internal Affairs, police, Security Service of Ukraine, prosecution service, courts, border service, and anti-corruption institutions. European specialists participated in the preparation of concrete institutional reforms and training programs for civil servants and security personnel [68].

Polar Marxism uses the concept of *corruption* to describe this process.

> ***Definition 5 (Corruption).*** *Corruption is the process by which the capitalist Center redirects the political, institutional, ideological, or economic development of a peripheral system away from its centrifugal anticapitalist tendency and toward reproduction within the imperialist order.*

Corruption can assume financial, political, institutional, ideological, or personnel forms. Credit conditionality, dependence on external financing, support for particular political and social organizations, institutional restructuring of the state, incorporation of elites into the structures of the Center, and direct external pressure are different mechanisms of the same process. Its result is the redirection of the peripheral system's own centrifugal tendency and the obstruction of autonomous anticapitalist systemic command.

Here the corruption of Ukraine intersects with the *Law of Realization*, developed in the separate work *The Law of Realization* [69].

The capitalist Center has repeatedly formulated the direction in which it wished the post-Soviet space to develop. In 1999, Madeleine Albright identified as one of the principal objectives of U.S. policy the promotion of Russia's full transition to "political democracy, a healthy market economy and the rule of law," and explicitly connected the success of this transition to the interests of the United States [70]. The desired form of Russia was thus a liberal political system combined with a market economy, openness, and further integration.

From the standpoint of the Center itself, this is democratization and market modernization. In the categories of the present theory, the same process possesses a definite class content. Contemporary anticapitalist Russia exists precisely because systemic command is separated from the autonomous power of private capital. The destruction of its Command Core and its transformation into an ordinary liberal-market periphery would reopen it as a space of capitalist realization: a market, an investment space, a source of resources and labor, and an object of ownership.

The *Law of Realization* describes the objective necessity of capital to expand the space within which realization can occur [69]. An anticapitalist periphery restricts this expansion because its Contour A subordinates the movement of capital to its own systemic logic. The capitalist Center therefore reproduces pressure directed toward removing this restriction, while the anticapitalist system reproduces the opposite movement—the preservation of its own systemic command.

The Ukrainian case is specific because this contradiction is realized *indirectly*. Ukraine itself is initially a peripheral system in which its own centrifugal tendency operates. Corruption suppresses its autonomous anticapitalist consolidation and binds the reproduction of the Ukrainian state ever more deeply to the capitalist Center. The same dependent system then begins to perform an additional function: it becomes an immediate space of pressure upon a neighboring anticapitalist periphery.

This functional transformation is especially visible in the military sphere after 2014. NATO and individual member states systematically participated in the transformation of the Ukrainian armed forces, their training, and their movement toward interoperability with Western military structures. British Operation Orbital alone trained more than 22,000 Ukrainian service personnel before February 2022. In 2021, the United Kingdom and Ukraine additionally concluded an agreement opening GBP 1.7 billion in financing for the development of Ukrainian naval capabilities.

The full-scale war brought this process to a qualitatively different level. The external reproduction of Ukrainian military capacity became a collective function of dozens of states, while Ukraine became the largest recipient of external arms. The Russian side, at the same time, had long and publicly formulated the opposite interest: preventing the further advance of Western military-political infrastructure toward its borders [71,72]. We therefore observe two opposing systemic interests directly confronting one another on Ukrainian territory.

It is here that the *Law of Realization* acquires a new historical form. In the classical case of the law's extreme operation, the capitalist system itself militarizes in order coercively to acquire or restore the necessary periphery. In *The Law of Realization*, this extreme sequence was defined through the mefo-law: blocked realization develops into militarization, expansion, and fascization [69]. In the Ukrainian case, the coercive function is separated from the immediate state of the capitalist Center and transferred onto a dependent peripheral system.

We call this form *proxy-fascization*.

$$\begin{aligned}\text{classical fascization}: \quad \text{capitalist Center} &\longrightarrow \text{internal militarization}\\ &\longrightarrow \text{coercive acquisition of periphery,}\end{aligned}$$

whereas

$$\begin{aligned}\text{proxy-fascization}: \quad \text{capitalist Center} &\longrightarrow \text{corrupted dependent periphery}\\ &\longrightarrow \text{externalized coercive function.}\end{aligned}$$

> ***Definition 6 (Proxy-Fascization).*** *Proxy-fascization (or proxy-fascism) is the objective functional transformation of a dependent peripheral system in which its own centrifugal tendency is suppressed while the reproduction of the state becomes organized around an externally mediated coercive function of the capitalist Center against an anticapitalist periphery.*

This structural proxy-fascization must be distinguished from *visible fascization*. The latter is the external political and ideological morphology of the process. In Ukraine, the radical-right tradition remained electorally relatively weak but acquired influence in state memory politics disproportionate to its electoral weight. Researchers document the institutionalization of heroic narratives surrounding the OUN and UPA, the proliferation of monuments to Bandera and other figures of radical nationalism, and the participation of representatives of this tradition in shaping state memory policy [73].

At the same time, state language policy progressively displaced Russian from an increasing part of the institutional and public sphere: legislation established the mandatory use of Ukrainian in state institutions, education, the armed forces, law enforcement, and a broad range of other public relations [74]. After 2022, political and informational centralization also intensified: more than ten parties classified as pro-Russian were banned, the main national television channels were incorporated into a unified information telethon, and state regulatory powers over online and print media expanded [75].

These processes constitute the *visible fascization* accompanying structural proxy-fascization. At the same time, the official programs of the capitalist Center continue to be formulated in terms of rule of law, anti-corruption, good governance, human rights, and accountable institutions. The Center reproduces above all the dependency and the function; the concrete political and ideological morphology develops within the proxy system itself.

The significance of Ukraine for the general argument of this article can now be specified. After the collapse of the Soviet Union, Russia and Ukraine initially passed through a similar stage: the privatized Contour B acquired substantial autonomy while the former Contour A disintegrated. Their trajectories then diverged. In

Russia, the centrifugal tendency culminated in the formation of a new Command Core that once again subordinated large private property to systemic power. In Ukraine, analogous consolidation repeatedly remained incomplete, while the influence of the capitalist Center became progressively deeper and ultimately encompassed the economic, political, institutional, and military mechanisms through which the system reproduced itself.

Within Polar Marxism, this also produces a counterfactual proposition. **In the absence of corruption by the capitalist Center, Ukraine as a peripheral system would ultimately have followed its own centrifugal tendency and formed an anticapitalist organization of systemic command.** The concrete institutional form of such a system could have differed, but its systemic direction would have consisted in subordinating capital to its own Contour A. External influence altered this outcome.

It is therefore in the Ukrainian case that the concept of *capitalist restoration* acquires its actual meaning. Restoration consists in the suppression of the reconstitution of autonomous anticapitalist systemic command and the reintegration of a former part of the Soviet system into the position of a dependent capitalist periphery. In the terminology of the present theory, Ukraine therefore passes through

$$\text{anticapitalist system} \longrightarrow \text{systemic disorganization} \longrightarrow \text{capitalist restoration,}$$

whereas contemporary Russia passes through another sequence:

$$\text{anticapitalist system} \longrightarrow \text{systemic disorganization} \longrightarrow \text{new anticapitalist organization.}$$

Ukraine demonstrates what capitalist restoration looks like when it is actually completed. Its consolidation results from the collision between the internal centrifugal tendency and the *corruption* exercised by the capitalist Center, while the subsequent operation of the *Law of Realization* transforms the dependent periphery into a specific historical form—**proxy-fascism**.

Conclusion

The analysis developed in this article makes it possible to separate a class function from its juridical shell. The red director of the gross economy and the national bourgeois of the anti-market differ in their mechanism of selection, form of ownership, and institutional environment, yet occupy the same fundamental position: they directly command an individual productive node while remaining deprived of systemic command through capital. It is this position that constitutes the **antibourgeoisie**.

From this follows the central contradiction of the Plan. An anticapitalist system requires an independent local master as the bearer of management, initiative, and the development of Contour B, while the preservation of the system itself requires that this independence remain confined to the local level. **The Plan must produce the local master and simultaneously negate his systemic sovereignty.** The existence of managers, entrepreneurs, profit, and even private ownership therefore does not in itself constitute the restoration of the power of capital.

Post-Soviet history makes this distinction particularly clear. The mass transformation of Soviet directors into private owners confirms the continuity between administrative and private-property forms of local economic command. Their subsequent trajectories, however, diverged. In Russia, the temporary bourgeois autonomy of the 1990s ended with the formation of a new Command Core and the renewed subordination of private Contour B to systemic power. Russian privatization therefore did not culminate in a durable capitalist restoration.

Ukraine represents the opposite outcome. There, the restoration of autonomous anticapitalist systemic command was suppressed through the **corruption** of the capitalist Center, and the system was reintegrated into the position of a dependent capitalist periphery. The subsequent operation of the **Law of Realization** gave this dependence a specific coercive function, defined in this article as **proxy-fascism**. Capitalist restoration is therefore determined not by the appearance of the private owner but by the restoration of the systemic power of capital.

The principal conclusion of the article can thus be expressed in a simple distinction: **to own capital is not yet to possess the power of capital**. The antibourgeoisie exists precisely in the space between these two relations. As long as the local master remains subordinated to the systemic command of an anticapitalist Contour A, private ownership changes the historical form of the antibourgeoisie without abolishing it. The bourgeoisie in the full sense emerges only when the local power of capital becomes power over the reproduction of the system as a whole.

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