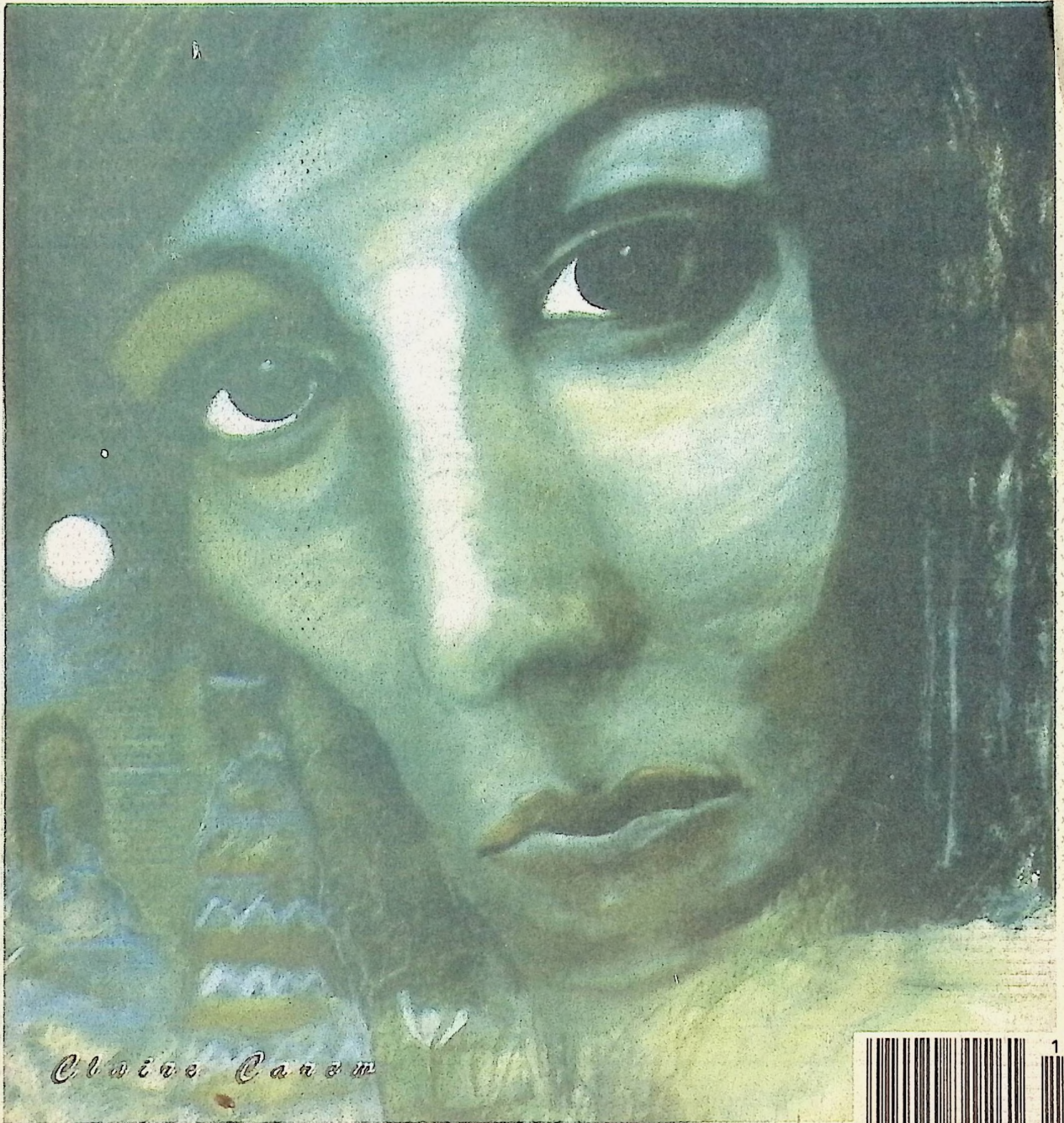


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Fundamental Concepts of Marxism

Sam Webb

I

The concepts of class, class struggle, and the working class are basic concepts of Marxism. When employed in a flexible way, they enable us to leave our imprint on and understand the events and social forces that shape the historical process.

For this reason, class concepts reside at the core of our analysis of present-day developments, our policy decisions and our day-to-day activities. If we set aside these concepts, we undermine both the basic character of our party and our ability to influence broader movements and struggles. Two historical examples bear this out.

The first is from an early period of our party's history. Earl Browder, who was the general secretary of our party from the early '30s to the middle of the '40s, claimed that the class struggle was receding into history. In its place, a new era of peace, prosperity, and partnership between former class adversaries was gaining ground at home and worldwide.

Events, however, proved Browder wrong. But by that time, considerable damage had been done – the Party had been temporarily liquidated and our relations with the working class and other social movements had been weakened.

The other example is of more recent vintage. In 1985, Mikhail Gorbachev assumed the position of general secretary of the Communist Party of the Soviet Union. In that capacity he, along with his supporters, advocated a classless approach to the construction of socialism.

This resulted in not only the dismantling of socialism in the former Soviet Union and Eastern Europe, but also the near collapse of the Communist parties in those countries.

It is no wonder then that the abandonment of class concepts earns its proponents the applause of the ruling classes (Gorbachev was feted in capitals throughout the world), but in the end it is fatal to a Party whose aim is to transform society along socialist lines.

Sam Webb is a vice-chairman of the Communist Party.

II

The class struggle is not fixed and frozen. It is not abstract and lifeless. It does not operate in a political vacuum. We should not see the class struggle pushing aside, crowding out, or making invisible other social struggles. Instead, the class struggle is a fluid and complex interplay of class and social forces contending for advantage and, ultimately, political power.

The class struggle is interwoven with the economic, political, and social environment. Moreover, the class struggle assumes a multitude of forms and interacts with other struggles in a reciprocal way. At times the class struggle moves with bewildering speed; at other moments its pace seems almost glacial. And, more than we care to admit, the class struggle moves in ways and directions that we are not always able to foresee.

"History as a whole, and the history of revolutions in particular," said Lenin,

"is always richer in content, more varied, more multi-form, more lively and ingenious than is imagined by even the best parties, the most class conscious vanguards of the most advanced classes."

Left Wing Communism, an Infantile Disorder

The fluid nature of class relations under capitalism springs in large part from the fluidity of capitalism itself. In contrast with earlier class-based social systems, the capitalist mode of production generates nearly constant and periodically revolutionary changes in the productive forces. And this in turn imparts a distinct and dynamic character to the class struggle under capitalism.

Marx and Engels captured the essence of this phenomenon in the *Communist Manifesto*:

"The bourgeoisie cannot exist without incessantly revolutionizing the instruments of production and thereby the relations of production and all the social relations. Constant revolution in production, uninterrupted disturbance of all social conditions, everlasting uncertainty and agitation distinguish the bourgeois epoch from all earlier ones."

A quick glance at present-day developments in our own country offers fresh corroboration of this point. Worldwide financial turmoil, merger mania, global outsourcing, and technical innovations in communication, transportation, and production techniques – all driven by the search for higher and higher profits and inter-capitalist competition – are reconfiguring not only the production process and the global economic map, but also the contours and conditions of class struggle.

Under the impact of capitalism's economic restructuring and crisis on a global scale, the class struggle is growing in intensity and assuming new forms. Left and center forces in labor are now dominant for the first time in nearly 50 years. New issues as well as new opportunities for broad alliances and mass initiatives are coming to the fore.

Anti-Communism is in definite retreat. And our party and press are welcomed on picket lines and in union halls.

The challenge, therefore, is to keep abreast of these changes and to make appropriate adjustments in tactics, slogans, demands, levels of visibility, and methods of Party and press building. Our party, as well as the broad left and center forces in labor, has to adjust its work to a new matrix of class and social struggles.

Otherwise, we run the danger of not recognizing in a timely way shifts of the class struggle from one stage to another. And in politics timing is nearly everything. Indeed, history is replete with missed opportunities that, had they been seized, might well have moved the historical process in a different direction.

By the same token, the past also contains moments where revolutionary movements took heroic and decisive action, thereby making possible historic breakthroughs in the struggle for freedom and justice. All this brings home the point that the historical process is not solely predetermined by objective processes, but depends, in part, on contingent factors – on human agency, on bold actions, on

working class and people's initiatives.

III

Communists are not alone in expressing outrage over sweatshops, the wholesale elimination of welfare, denial of health care to millions of people and the like. But we locate the material roots of these negative features of capitalism as well as the class struggle itself in the subsoil of a single system of capitalist exploitation.

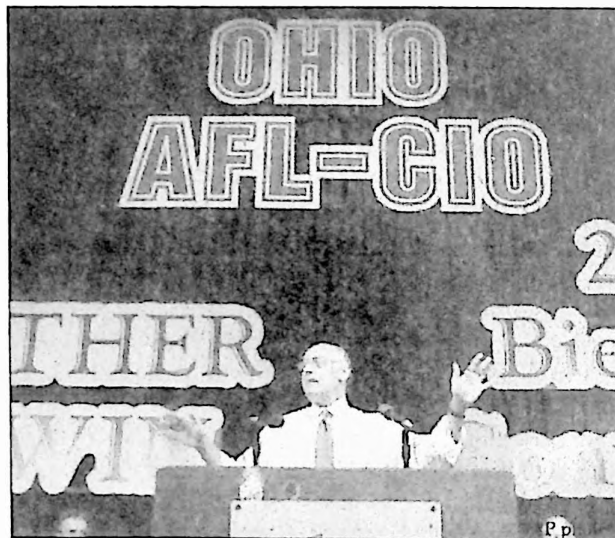
Social democrats and liberals, by contrast, perceive capitalism's excesses and the struggle against these excesses as arising from the wrongheaded policies of myopic, overly greedy, profit hungry corporate managers, from the abusive and misguided practices of one capitalist or even a group of capitalists.

Capitalism, in their view, has no systemic imperatives that compel corporations to behave in specific ways such as cutting wages, introducing new labor-displacing technology, and outsourcing and speedup in order to reduce their cost structure, maximize profits, and compete in a global marketplace driven by fierce competition.

A "race to the bottom," say social democratic and liberal leaders, is only one of an array of strategies available to the ruling circles in the capitalist countries. A better strategy, they go on to suggest, is one that accents high-skill, high-wage jobs and modernizes the nation's production apparatus.

Thus, capitalism, according to liberal and social democratic ideologists, is not so much an exploitative system as a poorly managed one. And by the same logic, the class struggle is not so much a permanent and organic feature of capitalism as a policy choice of the ruling class.

Level the playing field between workers and corporations, add some cooperation, include a touch of enlightened public policy, democratize the corporate boardroom, allow a reasonable level of profits, and, all, say these same ideologists, will be well in



Labor and its allies were key to historic defeat of the ultra-right in the mid-term elections.

the best of all possible worlds.

Here we have a fundamental difference in outlook. But must this divergence in thinking put us at loggerheads with social democratic and liberal forces and, in turn, rupture our coalition relations? Or, alternatively, in the interest of left-center unity must we bury our views in the sand?

Our recent experience suggests that a divergence of basic views need not prevent the formation of broad coalitions. Coalitions by nature are not formed on the basis of a shared ideological platform. But rather they come together around one or a few issues of mutual concern to the various participants making up the coalition. Moreover, no participant is expected to bury his or her fundamental views.

Naturally, moments arise when differences do crop up. When this occurs we should not be dismayed or throw in the towel, but rather continue to fight in a principled way for unity within the coalition. We can and probably will disagree with our coalition partners on tactical as well as fundamental issues, but we should do it in tactful way, with an eye towards maintaining, not severing, our coalitions relations.

IV

Just as there is a single system of exploitation, there is also a single working class, not two or three or more working classes. Its singular nature derives from the material fact that all workers are exploited, be they male or female, Black, Brown or white, public or private, skilled or unskilled, blue collar or white collar, and so forth. To be sure, the degree of exploitation varies among workers, but that fact does not determine their class status, only the fact of exploitation does.

Similarly, the varying levels of their class consciousness also have no bearing on their class status. A politically backward worker is just as much a member of the working class as a left thinking worker. Their respective roles in the class struggle, however, will differ because of their class outlook.

Nearly two decades ago we characterized the working class as a multiracial, multinational, male-female working class. We did this not simply to draw attention to its varied makeup, but also to contest the notion that our nation's working class is a loose coalition of competing groups and to emphasize its singular character despite its diversity.

Does the latter emphasis relegate the specific problems of specific sectors of the working class to

the back burner? For example, does it reduce the special exploitation and oppression experienced by racially oppressed workers to a secondary question?

To the contrary, the concept of a single working class with common class interests, common habits, and common desires that arise in the course of struggle and life itself puts the struggle for unity and equality on firm ground.

We cannot, however, leave the struggle for unity here. The interests of the working class as a whole have to be interrelated with the special exploitation and oppression of the racially oppressed. An instructive example of how to do this is gleaned from Marx's writings on the struggle against slavery more than a century ago. In *Capital*, the monumental study of the laws of capitalist production, Marx wrote,

"In the United States of America, every independent movement of the working class was paralyzed so long as slavery disfigured part of the republic. Labor cannot emancipate itself in the white skin where in the black skin it is branded."

What is interesting is that Marx does not set labor in the black skin against labor in the white skin. Rather Marx brings to the foreground the material fact that both slave labor and free wage labor are exploited. Marx also suggests that slave labor and free wage labor are bound together, that a mutuality of interests exists, despite the differences in the form and degree of exploitation.

Finally, Marx more than hints that the abolition of slavery is as much as a requirement for the emancipation of white workers as it is for Black workers. It is as much a matter of class self-interest as an overarching moral imperative.

One might naturally think that the passage of time and changed circumstances have rendered Marx's advice irrelevant to today's struggles for unity and equality. Such a conclusion, in my opinion, would be wrong.

First of all, racism continues to "paralyze" every independent movement of the working class. Indeed, it remains the main faultline impeding the unity of the working-class and people's movements. It is, to use the trenchant phrase of Gus Hall, Communist Party national chair, "our nation's most dangerous pollutant."

Second, the lion's share of value produced by labor in Black, Brown and white skin in the produc-

tion process continues to be appropriated by exploiters. No longer by southern planters and nascent capitalists in the North, but rather by giant transnational corporations controlling production chains that stretch around the world.

Third, the interests of our nation's working people continue to be bound together, but now by a thousand more threads. Since the 19th century huge economic and political transformations have greatly enlarged and diversified the U.S. working class, thereby creating new opportunities as well as new problems in the fight for class unity.

Finally, the struggle of white workers against racism and all forms of discrimination remains a fundamental requirement for their own emancipation from wage exploitation and class oppression as it was more than a century ago. All this bears repeating because the notion of "white skin privilege" has resurfaced in recent years in left and progressive circles.

On a broad aggregate level, white workers have a relative advantage over racially oppressed workers due to the fact that racially oppressed workers experience racial, as well as class, discrimination. This differential is reflected in wages and income, employment opportunities, incidence of poverty, home ownership, education attainment, health care access, life expectancy, and so forth. And in some instances it has grown wider. This harsh reality belies the claim of the extreme right that racist discrimination and oppression in the workplace and elsewhere is disappearing.

But it does not follow that white workers are either privileged or derive material gain from racist exploitation and oppression. Actually, exploitation of white workers and super-exploitation of racially oppressed workers are two aspects of a single process of class exploitation. They are inextricably embedded with and reinforce one another at every point. Thus, the intensification of one goes hand in hand with the intensification of the other.

To be more specific, racist exploitation not only imposes substandard wages and conditions on Black and Brown workers, but depresses the living standards of all workers. It also disfigures their class outlook, politically subordinates them to the ruling class, and weakens, often fatally, their struggles – not simply at the point of production, but in every arena of struggle. Racist exploitation and oppression, in other words, constitutes a body blow to the economic security and fighting capacity of the entire working class.

Perhaps the best, though by no means the only, evidence of this fact is found in the history of the South where virulent racist exploitation and oppression combined with intense exploitation of all workers to retard the economic and political development of that region. Even today, nearly 150 years after the defeat of slavery, the living standards and working conditions of working people in the South lag behind those of their counterparts in the North.

Hence, the price paid by white as well as Black workers in the South – not to mention the entire working class – has been huge in economic and political terms. But it is precisely this fact – this class contradiction and its dialectic connection to racist exploitation and oppression – that is obscured by the proponents of the notion of white skin privilege. Even where it is acknowledged, the acknowledgment is usually incidental rather than at the core of their analysis.

Proponents of this concept end up almost inevitably mired in political paralysis, in defeatism. After all, once it is concluded that white workers have a material stake in the super-exploitation of racially oppressed workers, what other course of action is likely besides inaction and moral posturing? The struggle for class unity and equality becomes dim indeed.

The structures of racist inequality and ideology are produced and reproduced by the system of capitalism and its defenders. Institutionalized racism is not a trans-historical phenomenon merrily marching through history with a "life of its own." Nor is it the special product of the working-class movement, as some historians suggest. On the contrary, it has specific systemic and class roots. It's a creature of capitalism.

Saying this doesn't render the special exploitation and oppression of racially oppressed less significance, but rather anchors it in a wider framework of class exploitation and oppression. Nor does it suggest that racism has no reflections in the working-class movement. To think so would be incredibly naïve. Racism penetrates into every area of life to one degree or another.

And yet where racism manifests itself in the thinking and actions of working people, we should be exceedingly careful not to separate its expressions and practices from its capitalist context, to conceal its systemic and class roots. Responsibility for racism's inscription on our nation's past and present resides with the capitalist class and the system that this same class sustains.

The struggle against racism and for equality is a winnable struggle, but only in the course of broad, united, multiracial actions. Anything less will not stand a ghost's chance of success. Just as a broad anti-slavery coalition was necessary to overturn the system of slavery in the previous century, so too is a broad coalition of the working class, the racially oppressed and all democratic forces necessary to eradicate the contemporary structures of racism and racist ideology as we enter the 21st century.

V

The class struggle and other social struggles, as mentioned earlier, intersect at many different points. Neat boundaries do not exist between them. And we should not try to construct any. Political life is messy. It's more an interconnected and contradictory process than a series of discrete events separated in time and space. Schematic approaches, therefore, as alluring as they are, fail to capture the multiform and complex nature of political life. Worse still, they lead to stiff strategic and tactical concepts of struggle.

The notion of a pure class against class – capitalist class versus working class – strategy hindered the Communist movement in its formative period. Lenin articulated a broader concept of struggle, as did Georgi Dimitrov in his brilliant report to the 7th World Congress of the Communist International in 1935. And recently Gus Hall has argued that the struggle for democracy is an essential task for the working class that cannot not be bypassed, as ultra-left organizations are inclined to do, in pursuit of supposedly higher class aims.

In the course of the struggle for democracy, the multiracial, multinational, male-female working class gains experience, enhances its class understanding and wins to its side a broad and diverse array of allies, including those that are temporary and vacillating. And it is precisely this, and only this, broad constellation of forces that has the wherewithal to conduct a serious battle for political power. Indeed, no far-reaching shift in political power, no deep going anti-corporate reforms and, certainly, no socialist system is feasible without a consistent struggle for democratic rights, without mass allies.

Given this relationship between the class struggle and the struggle for democracy, we have to be exceedingly careful not to approach the two arenas of struggle as separate and distinct. Nor should we reduce the struggle for democracy to a secondary

concern in our scheme of political priorities. The class struggle and the struggle for democracy are two aspects of a single interrelated process.

Let me end with two quotes from Lenin, both of which underscore the importance of broad and flexible concepts of struggle:

"The socialist revolution is not a single act, it is not one battle on one front, but a whole epoch of acute class conflicts, a long series of battles on all fronts, i.e. on all questions of economics and politics, battles that can only end in the expropriation of the bourgeoisie. It would be radical mistake to think that the struggle for democracy was capable of diverting the proletariat from the socialist revolution or of hiding, overshadowing it, etc. On the contrary, in the same way as there can be no victorious socialism that does not practice full democracy, so the proletariat cannot prepare for its victory over the bourgeoisie without an all-round consistent and revolutionary struggle for democracy."

The Socialist Revolution and the Right of Nations to Self-Determination

"To imagine that social revolution is conceivable without revolts by small nations in the colonies and in Europe, without revolutionary outbursts by a section of the petty bourgeoisie with all of its prejudices, without a movement of the politically non-conscious proletariat and semi-proletarian masses against oppression by the landowners, the church, and the monarchy, against national oppression, etc. To imagine all this is to repudiate social revolution. So one army lines up in one place and says, "We are for socialism," and another, somewhere else and says, "We are for imperialism," and that will be a social revolution ... Whoever expects a "pure" social revolution will never live to see it. Such a person pays lip-service to revolution without understanding what revolution is."

The Discussion of Self-Determination Summed Up □

Labor and the Equality Struggle

George Fishman

This is in response to the invitation by *Political Affairs* (April 1998 issue) for discussion towards a Communist Party program on African American equality. Congratulations to *Political Affairs* for calling for and arranging this collective discussion.

The special oppression of the African American people shows itself in double unemployment rates, lower wage rates and benefits, (lowest for Black women), denial of adequate health care because of low income, much higher incarceration and death penalty rates, and a shorter life span.

It shows itself in discrimination and rampant segregation in employment, housing and education. The Party program is of the greatest importance to raise mass demands and to generate united action to meet head on and overcome this shameful, capitalist-bred mass poverty.

Dee Myles' opening essay sets the stage for the discussion and gives a solid outline for a Party program. Cardinal propositions in her opening give a big boost to the equality struggle. They should be endorsed. For example:

- The labor movement is a necessary condition to fight for better working conditions and higher wages. Inseparably, it is also a necessary condition for effective, united action by workers, Black, Brown, and white.

- It is necessary to step up demands that government carry out and expand its public responsibilities towards the needs of the people. It is necessary to demand multiplication, not subtraction of people's programs.

- Unemployment kills!

The programmatic demand of equality must be seen in its interconnections and fought for unitedly. The urgent need for living wage jobs, a federal public jobs program, such as is called for by the Martinez Bill, and job upgrading is central to every other equality and working-class demand.

Another example is the struggle for equal, quality, desegregated-integrated, multilingual public education. The very existence of public education

represents a hard-fought public and democratic rights gain. Already the labor movement, some 75 years ago, made public education, linked to ending child labor, its number one demand. Using newly won political rights as part of a broad coalition, it was able to win this demand. The African American people's and women's rights movements broadened and democratized this right further with demands for access and equality.

Today this working-class democratic public gain is under all-out frontal attack by a transnational corporate far-right cabal. This reactionary, anti-people's attack has a sharp racist, sexist, anti-working-class edge.

Beset with insoluble escalating systemic crises on both global and growing domestic scales, the corporate, Wall Street would-be privatizers, smelling obscene profits ahead, are driving full throttle to reduce public schools to market places for investment and monopoly-controlled TV commercials.

The grubby privatizers work in tandem with private school entrepreneurs, parochial school supplicants, and far-right fundamentalists, seeking to snare public funds. Their fascist-leaning irresponsibility is highlighted by the fact that they are ready to shred church-state separation and the Bill of Rights itself in their rush. More, their swindle of profits before education fans anti-working class discrimination, segregation and racism in education.

The struggle for equal, quality public education must be an integral part of a Party program for African American equality. It goes hand in hand with the struggles for living wage jobs, universal health care, strengthened Social Security and Medicare, and restored and expanded federal welfare programs.

Education is vital for the lives and future of youth and society, but it does not stand in splendid isolation. It cannot be separated either on a learning level or an institutional/political level from capitalist economic crises.

The defense of public education has multiple dimensions. Yes, it involves meeting the learning needs of all children, youth, and continuation of adults for modern, stimulating learning environments and material. It also inseparably involves

meeting the socioeconomic needs of students and their families. It includes tackling segregation and implementing affirmative action in employment, housing and education. Nutrition, health care and living wages are dimensions of learning.

The program should resolutely call for massive increases in federal funding for public education and all federal people's programs, with fund-equalizing and affirmative action guarantees. It should view positively proposals for expanded public education. This includes, for starters, the \$20 billion proposal of the Clinton administration for smaller class size, teacher training and school buildings. It includes the proposal in the Martinez bill for \$50 billion for school infrastructure. It should also call for the necessary labor-led mass electoral struggle to realize the proposals.

Massive federal support for the nation's public schools is not only needed to reverse the galloping deterioration of school buildings and programs nationwide and especially in inner cities, barrios, reservations and rural areas. It is key as a concrete measure to defeat the privatizing drive of global capital and the far right – a drive enunciated by Gingrich in the Contract on America, and demagogically in his profitable book, *To Renew America* (1995).

Massive federal funding is a direct answer to a cynical form of the assault on public education – underfunding. Citing deterioration of public education which they caused through underfunding in the first place, the privatizers and far right come up with their solution – surprise! Transfer public funds to private, fundamentalist and parochial coffers. Nothing doing! Fund public education massively! This demand should be coupled in the program with cutting the U.S. military budget and building world peace and international labor solidarity.

The program should indict all forms of assault on public education, including school vouchers and charter schools outside the quality public school framework. An example of how corporate privatizing forces use charter schools as a stalking horse is the Edison Project.

Unlike educators who may view charter schools, within the public school framework as an opening to fertilize new ideas, the Edison Project is out to manage schools as a for-profit business and to advance privatization. It is a Wall Street outfit using schools as chips in the stock market.

On the other side of the class fence are the working class and allies as champions of public educa-

tion. For example, the AFL-CIO, through its legislative lobby activity and political clout, has to date been able to spot and defeat right-wing efforts in Congress to enact school vouchers on a federal scale.

Ranged against capitalist-bred oppression is the struggle of the African American people and allies for freedom, equality and dignity. It is a struggle of the entire African American people, mainly working class but also non-working class. Black workers make an especially important contribution in leadership in the equality struggle and in the labor movement overall. The role of Black women, and especially Black working women, is pivotal. The African American people's movement advances the cause of all racially, nationally oppressed people, as well as the entire working class.

BUILDING CLASS UNITY ■ Of special importance is the strengthening of alliance between the multiracial, multinational, male-female working-class struggles. The global corporations that ruthlessly assault the working class in the drive for maximum profits, also assault racially, nationally oppressed people at home and abroad. Here is a basis and necessity for mutually-supporting, mutually-benefiting alliance. The marrow of the alliance is working-class and labor leadership, and mass involvement on all fronts. This alliance is also the core for building a broader labor-led people's coalition. The alliance is key for going on the offensive.

Crucial for a united struggle is the urgent need to combat and eliminate racism in all aspects, not least of which are chauvinist caricaturing, hate crimes and police brutality. This is a major task, not only of the African American people but also of the entire working class. Broad working-class and labor support is manysided. It includes both support to the special equality needs and demands of Black people and also to Black workers as a sector of the working class, starting with effective affirmative action and closing fascist and sexist wage gaps.

Racism is harmful not only to those racially, nationally oppressed but to the entire working class. A glance at deteriorating working-class living standards, job insecurity, assaults on democratic rights and safety net programs, exposes the ruling class ideological snare that racism is in the interest of white workers. The united struggle against racism and for equality strengthens the struggles of the entire working class and the building of labor-led alliance of the working class and the racially and

rights and labor forces. We must actively resist the forces of disunity.

At this stage voter registration and education are the main things that should be focused on.

THE ROLE OF THE PARTY ■ A number of districts have issued plans for the elections. These are excellent basis for clubs to make plans.

The New York district has issued its plan to help dump D'Amato. It is a good plan that can be successful. There is a lot of potential in the Working Families Party in New York. It was a correct decision to help it get on the ballot this year. The Working Families Party is our best bet to make a qualitative gain. The Working Families Party has a good chance of making ballot status. If that happens it means the beginning of the end of the treachery of the right-of-center Liberal Party. And, yes, contrary to the polls, D'Amato can be defeated if the anti-right-wing forces statewide are registered, educated to the dangers, and mobilized to get to the polls on election day.

The Communist Party must have presence in this great struggle. What can we do?

The Party-building and circulation drives are a natural for the struggle. We will be on the streets tabling with our paper and pamphlets and *Political Affairs*.

Part of the misleadership at the youth marches last week was that there was hardly a mention of the 1998 elections. I don't think this was an accident. These marches were aimed at demobilizing African American youth around the elections.

The Nation of Islam (NOI) and other conservative nationalist forces that organized the marches are not for mobilizing African Americans against the right danger. They have a long history of passivity in the face of the attack of the fascist right. Fundamentally they want a piece of the capitalist pie. They are out to corner the African American market. That's why it's so important that those marches were not successful.

We have to say if you are truly concerned about the plight of African American youth, the first step is to register and go the polls on November 3rd and score a massive vote against the right. Instead the main speakers were calling for the defeat of the Black elected officials in Harlem. The ultra-right Republicans are racist to the core and they are out to sharply reduce the number of Black and Latino elected officials nationally. These officials are the

most consistent block against the program of the right. But the speakers did not call for a fight against the racist majority in the Congress – they want to get rid of Charlie Rangel. These forces do not want to fight the right danger.

In the Atlanta meeting however there were a few exceptional speeches that went in the right direction. The speeches of the youth director of the NAACP and Kweisi Mfume were excellent. They both made strong appeals for unity and to defeat the right. And they received loud applause. The mood in the African American community is to fight not accommodate.

THIRD-PARTY MOVEMENTS ■ Unfortunately much of the third-party movement is still trapped in narrow left-sectarian tactics. Tomorrow's goal of a massive breakaway from the two dominant bourgeois parties is only possible if we can build a united effort that can defeat the extreme right today. The Greens in New Mexico have become the darlings of the Republican right because, in a state where Democrats outnumber Republicans two to one, the Green candidates continue to run in races that help elect Republicans. Knowing that they can't win outright today, they are pursuing immediate narrow electoral gains. Instead of a tactic that would unite all the progressives against the right, which would be the basis for bigger victories in the future, they are out for themselves. The right wins and the people lose. Their candidate in the 1st Congressional district is a prime example. After the last time they helped the Republicans win they covered up by saying they didn't believe there was a fascist danger. This was to cover their sectarian opportunism.

The Labor Party is calling a national constitutional conference, but it is after the elections. What about the 1998 elections? I guess it doesn't matter to the Labor Party.

Much of the left is making the same mistake. They are not in this fight. Many have given up on electoral politics. They fail to see that there is an extreme right that continues to gain power and affect government policy through winning office.

It's a class thing. While the labor movement is on the front line, using flexible united-front tactics, and scoring victories against reaction, much of the middle-class left is idle and cynical. Our Party can play a role in helping to clarify what is at stake in this crucial fight. □

India on the Eve of the 21st Century

Communist Party of India

The 17th Congress of our Party is meeting as we approach the end of the 20th Century. This has been an eventful century.

It saw two devastating world wars unleashed by imperialism. The second world war ended with the resounding defeat of fascism. It witnessed the discovery of the awesome power of the atom and its experiment on Asian people by U.S. imperialists, killing more than 200,000 people.

But the 20th century will be remembered as the century which for the first time in history saw a proletarian revolution and the establishment of socialism in a vast country like Russia. It will be remembered for the breakup of the colonial system and the victories of the national liberation movements in many hitherto enslaved countries. The achievement of independence in India heralded the great movement for liberation in Asia, Africa and Oceania. It saw the victory of the socialist revolution in the world's most populous country, China.

In the '90s socialism collapsed in the Soviet Union, and in the countries of Eastern Europe. This was not the failure of Marxism-Leninism as an ideology or of socialism as a system, but of mistakes and blunders in its application, and of the particular model that was in existence in those countries. China, Vietnam, Laos, North Korea (the DPRK), and Cuba are today successfully carrying out their socialist construction.

We Communists in India, having drawn appropriate lessons have reaffirmed our faith in Marxism-Leninism, its relevance in the struggle for socialism towards the 21st century, and our commitment to that goal. There is no other scientific revolutionary ideology that can claim to be a substitute. It has to be applied to our specific conditions, and taking into account our Indian characteristics.

Our vision is of a socialist India in the 21st century. Socialism is the only option for solution of all our problems. Our perspective is of Left and democratic parties coming together in a front to take our great country forward towards the realization of

that vision. The path will, of course, be tortuous and zigzagged, beset with advances and setbacks. But the onward march will continue. It is in that spirit we look to the future, to the new century.

Since the 16th Congress of the Party (in October, 1995), the political situation in the country has undergone a radical change. For the first time after independence, the BJP has succeeded in coming to power heading a coalition of 18 parties. This is a dangerous swing to the right, towards reaction in Indian politics. It has not, however, been a sudden development.

The BJP has been increasing its votes and seats in the Lok Sabha steadily through the last four elections: from 86 in 1989 to 120 in 1991, 161 in 1996, and 179 (three more seats won later) in 1998. Its share of votes has risen correspondingly from 11.5 percent in 1989, to 20.1 percent in 1991, 20.3 percent in 1996 and 25.5 percent in 1998. The threat of a takeover of power at the center by the right-reactionary communal party had been growing. And though in the last general election the BJP itself has not gone beyond 182 seats and 26 percent of the vote it has managed along with its allies to install itself in power, though with a very tenuous majority.

The BJP-led government is not just "another government." This has been forcefully demonstrated by the fact that within two months of its existence, it has plunged India and the entire South Asia into a dangerous situation. Making a sharp break from earlier national consensus, it carried out the nuclear weapons tests of May 11th and 13th, and declared its intention of launching nuclear weaponization and deployment. This was quickly followed by the nuclear tests carried out by Pakistan. It has sucked the two countries into a nuclear arms race, compounded by jingoistic and intemperate statements at various levels of the government of both countries. Rather than improving the security environment, it has degraded it considerably. The people of the two countries, living in close proximity have been brought under the pall of nuclear threat. There is heightened tension in the region and the work of patient diplomacy carried out over a period of years has been undone. This goes with an

The Communist Party of India's 17th Party Congress was held at Chennai, September 14-19, 1998. The above is excerpted from its draft document.

attempt to divert attention from the basic problems of poverty, unemployment, illiteracy and disease afflicting people of both the countries.

The P-5 countries' statement, the Security Council resolution and the subsequent G-8 statement have confined themselves to urging that efforts be made to resolve disputes, including Kashmir, between the two South Asian nations. But they have not openly talked of internationalizing the issue, which has so long been confined to bilateral negotiation under the Shimla Agreement. The fact is that it has been dragged onto the international stage. This has undoubtedly complicated it.

The BJP, on coming to power has brought into question the "parliamentary system" prevailing in the country, proposing to review the Constitution and replace it by a presidential system.

In the economic sphere, it is actually carrying out the dictates of Indian Big Business and monopoly houses, and frantically wooing the multi-national corporations (MNCs).

The country is thus passing through the most critical period of its history since independence. The coming days will have to decide whether the critical period gets further aggravated, or that we are able to break out of it and set ourselves on the path of secularism, democracy, progress and justice.

ECONOMIC CRISIS ■ Apprehension is growing, and there are signs that the U.S. and western economies may face a severe recession by the turn of the centu-

ry. They are therefore looking for outlets beyond their borders on the world market. The economic crisis that overlooks the ASEAN countries and the other "Asian Tigers" in mid 1997 has shaken confidence in economic miracles and the sustained high growth of capitalist economy. The epicenter of the crisis was in East Asia, but the effect was felt round the world. We have noted that under present-day capitalism, the flows of short-term capital in and out of currencies and securities markets are far bigger than long-term corporate investments. The high-tech financial system is obviously subject to the activities of financial speculators and manipulators at the slightest fall in the market, or variation in interest rates, and so on. This is both the cause and the consequence of the crisis that overtook the East-Asian countries. Their currencies were brought down by as much as 50 percent or more against the dollar (the Indonesian rupiah depreciated almost 81 percent)!

In the past year the Asian economies have come down to earth with a bump. As the crisis waves engulfed all institutions the tigers were transformed into domestic pussycats. Local banks and businesses faced bankruptcy and closure. Food prices shot up. Millions of workers were thrown out of jobs, facing unemployment and destitution. Immigrants were no more welcome. The days of high economic growth and fast-rising living standards have been left behind.



In India today homelessness is widespread. Hundreds of millions live in the streets.

U.S. IMPERIALISM'S ECONOMIC HAMMER ▣ Apart from the speculators, there are reasons to believe that U.S. and European capital was also interested in hammering down the East Asian currencies, so as to eliminate the threat of competition from their growing economies and instead dominate them. These Asian countries have helplessly lined up before the International Monetary Fund (IMF), which has magnanimously announced bailout packages for each of them. The IMF has imposed even more stringent conditions in return for such packages, e.g., removal or cutting down of subsidies, lifting of price controls on food, added cuts in government spending and so on. This can only impose added miseries on the common people. Meanwhile, with their currencies severely devalued, East Asia's assets are out for distress sale, and American, European, and even Australian vultures are swooping down to gobble them up.

The IMF help and the accompanying diktat is like the hangman's noose around the neck of these countries, whose economic sovereignty is further jeopardized. By giving help the U.S. is forcing East Asia into submission, promoting the U.S. economic and political model and easing East Asia's threat to the U.S. economy. In fact, some time earlier, the proposal for an "Asian Monetary Fund" in which Japan would have contributed the most was shot down by the U.S. and IMF, which wanted the IMF's primacy in economic and financial matters to remain unchallenged.

People have reacted to this situation with massive strikes that have swept Korea, Thailand, and Indonesia. In Indonesia, the most populous of these countries, the popular upsurge has brought about the downfall of that corrupt tyrant Suharto, who had come to power in a CIA-inspired coup 32 years back, after slaughtering more than 500,000 Communists and fighters for people's rights from Mindanao, West Papua, East Timor and other places. The upsurge will not come to a halt with his ouster and replacement by his cronies, but will surely snowball into a movement for the full restoration of democracy and restoration of civil and trade union rights.

As if to signal that the crisis situation has not played out, the downward plunge of the Japanese yen has triggered a second crisis in Asia. The Japanese economy is passing through a recession. Its financial system is in crisis. There are proposals that the government should bail out the financial institu-

tions and launch public works to stimulate the job market.

The present capitalist crisis has several manifestations, such as bankruptcies, defaulting on debt repayments, shrinking markets, devaluation, inflation and high prices, prospects of negative growth, millions thrown out of jobs, cuts in services, falling living standards, massive share market losses – all leading to social and political upheavals. There are no grounds for the self-congratulations in which capitalism indulged itself after the disintegration of the socialist system in the Soviet Union and Eastern Europe.

Who will rescue the suffering masses from their misery? Who will give food to the hungry and the destitute? Who will save the children from malnutrition, neglect and death? Who will bestow economic and social equality to all? Will it be the market which recognizes no laws, except the law of maximum profits? Will it be the neo-liberal, unfettered capitalist economy? Or, will it be a more humane society, rid of the cancer of exploitation and oppression, a socialist society of the future?

FROM LEFT TO RIGHT ▣ The period since the last Party Congress (October 1995) has seen two general elections: April-May 1996 and February-March 1998. Before the 1996 poll, major problems had cropped up which had plunged the country into a deep all-round crisis. Its major aspects were the communal divide in the entire country, following the demolition of the Babri Masjid on December 6, 1992, by the communally frenzied mobs of the "Sangh parivar," and the utter failure of the Congress government to protect it despite several warnings. The country's secular democracy and traditions were in danger, and harmony among people belonging to the majority or minority communities was jeopardized.

The activities of separatist divisive elements and of armed terrorists sent across the border in the bordering states became a threat to the national unity and integrity of the country.

The declared policy of economic reforms of liberalization, privatization and globalization as dictated by the IMF and the World Bank and the World Trade Organization (WTO) regime in matters of trade without any concerted effort to alter the iniquitous terms seriously endangered India's economic sovereignty and its path of development based on self-reliance.

The staggering dimensions of corruption at high

level, and the criminalization of politics, leading to a series of scams and scandals shook the confidence of the people in governance and on the Congress government in particular.

In the eyes of the people, the Congress Party stood discredited, unable to rule the country any longer. At the same time the BJP which claimed to be the party in waiting, could not also be an alternative to the Congress, both because of its communal politics, and its inability to come anywhere near to power on its own. A third alternative at the national level consisting of left, democratic and secular forces could not be won at the polls.

UNITED FRONT GOVERNMENT ■ The election gave a fractured verdict. The verdict was not for any single party to rule at the Center. The country had thus entered a period of coalition government. Though given the first chance to form a government as the single largest party, the BJP had to resign on the 13th day, as all its efforts at manipulating, maneuvering and buying off other groups failed to get even a single additional member on its side. At that time 13 parties, including the four left parties, the Janata Dal and regional parties that shared the common commitment of secularism, federal democracy and social justice and were determined to keep the communal BJP from rule, constituted a United Front, and formed the government. It established a majority with the support of the Congress.

This was a first experiment at running a coalition government at the center. The Front could come out with a Common Minimum Program, and set up a Steering Committee which would meet and settle issues of policy through consultation and consensus. However, the factor that came in the way of stability of the UF government was that the 140-strong supporting party from outside, namely, Congress, kept on threatening to withdraw support. On the first occasion, the UF rule resumed with a change of prime minister. The second time, the UF government refused to accept the unreasonable demand of the Congress and resigned. A fresh poll had to be ordered after only 18 months of UF rule.

The United Front had not come out of any joint struggle or common movement on national scale, on issues of the masses. That was the root of its limitations. The left was only one component of the Front, not the decisive one, though it was the left which took initiative on all major issues within the Front. The Common Minimum Program that was worked

out was not a program of the left, nor could it be so. It was only a pragmatic response to the political, social, and to some extent the economic situation prevailing in the country, and based on a broad compromise among 13 parties.

On economic issues though, there were vital points of difference between the left parties and some of the other constituents of the Front. The difference related to proposals for disinvestment and allowing entry of the private sector into insurance. They also related to economic priorities and emphasis on issues concerning the poor, and about strengthening the public sector, while the others wished to carry forward the policies of liberalization.

The UF government, despite its tenure of only 18 months, has several achievements to its credit such as steps towards establishing good-neighborly relations and meaningful dialogue with all neighboring countries on outstanding disputes; steps toward healthier center-state relations; holding elections in Kashmir; focusing on development problems and restoration of peace in the Northeast region; higher procurement prices to farmers; launching of crop insurance schemes in selected districts; reviving a few important PSUs; running a public distribution system targeted specifically



Indian state government leader protest BJP governments attempt to put religion in public schools.

towards people below the poverty line, etc.

The shortcomings related more to economic issues, on which as noted, there were differences between the left parties and others, and also in carrying through legislative measures such as a one-third reservation for women in parliament and legislatures, and the agricultural workers bill. Some of these measures could not be carried through because time ran out for the UF government.

Of the four left parties within the UF, only the CPI had joined the government. This slight difference was not however allowed to affect the cooperation among the four left parties who generally took common positions. It is important for the left parties to work in cooperation and unity on all such occasions.

THE FAILURE OF THE UF ■ In the recent general election, the UF could not project itself as a credible front which was making a serious bid for power, since its constituents could not arrive at a satisfactory adjustment of seats, especially in the Hindi areas, where the communal BJP was the powerful challenge. During the 18 months of UF rule, we also failed to build up the UF as a cohesive political front. For all these reasons it could not campaign jointly, nor project its real achievements before the electorate. Caste riots in the southern districts of Tamilnadu and the murderous bomb blasts in Coimbatore by a group of Muslim fundamentalists, just on the eve of the poll seriously damaged the UF's prospects in this state, which was a UF stronghold.

On the other hand, drawing lessons from the previous poll about the improbability of gaining a majority on its own, the BJP went in for its brand of "realpolitik," i.e., striking opportunist alliances with whatever parties, groups and individuals available, that would yield winning votes and seats. As a bourgeois party with a fascist ideology, and determined to come to power anyhow, it had no scruples in giving up all pretense to principles, values, political morality and so forth, in picking up allies without any prior programmatic commitment. Those who had ganged up with the BJP were actuated with the sole purpose of helping each other to climb to power, though not all the parties that allied with it were communal.

All these maneuvers gave the BJP entry into new areas of the South and East of India, where previously it had at best only marginal presence. It

could overcome its isolation and shed its untouchability as a communal party, without giving up any of its communal agenda or ideology. The tactics pursued by the BJP enabled it to win votes from several new sections who had until then never voted for the BJP. These votes are by no means communal-minded, nor have they voted for its communal agenda.

But in spite of the unprecedented media hype, the incalculable money power put at the BJP's disposal by Big Business, and all types of resources harnessed in the campaign, in spite of aggressively projecting Vajpayee as the able and charismatic Prime Minister, the BJP could increase its party tally by only 20 seats and obtain only a 4.5 percent increase in votes. This means that large sections of voters are not willing to repose their trust on the BJP. This fact should reinforce faith in the secular good sense of a majority of voters.

The Congress Party, which was in disarray before the elections, managed to regain its self-confidence after Sonia Gandhi joined the campaign. It was thus able to maintain its earlier position.

The UF's tally could add up to only about 99 seats. The left parties, which have a clean image untainted by corruption (unlike several other parties), and a record of consistent fight, both for secularism and on people's issues, could contest only about 150 seats. They could not increase their representation. Instead, the number of seats won came down from 53 to 49, the fall being due to the CPI losing four seats. It shows that it is not enough to have a clean image or to uphold the people's cause. It is also necessary to have political mass bases which can ensure victory in the polls, and pursue tactics that give the message of success to the electorate in the battle for power today. It has also to be analyzed as to why the BJP could cash in on the mass disillusionment with Congress and occupy the political space, while the Left could not. There is need for serious introspection within the left parties, and the need to launch a rectification and reinvigorating campaign, especially in the CPI.

In the game of numbers, the BJP-led coalition came out as the biggest of the three political formations, though still short of a majority. The political defection of the Telega Desam Party (of 12 members) to the BJP enabled it to get a wafer-thin majority and confirm it in power.

Any critique of the present government's economic policy or what is likely to follow, first of all

calls for an assessment of our economic situation. Over 50 years after independence, India's economy presents a grim picture. There has been progress in agriculture, industry and in the social sector, as a result of public spending and planning. But the overall results are mixed – a picture of stark contrasts and disparities.

More than 325 million people are still living below the poverty line, which itself is anchored on a norm of per capita daily calorie requirements of 2400 in rural areas and 2100 in urban areas. Half the population is still illiterate. For females aged seven and above, the proportion is 61 percent. The dropout rate is very high, and more than 45 percent of children do not reach the fifth grade. According to 1991 census, more than eleven million children (70 million, according to other estimates) who should be in schools are engaged as child labor. Female child laborers are subjected to sexual abuse on a very large scale. Present laws tackling rape are inadequate to solve this problem. Proper laws have to be enacted and implemented to protect the female child. Malnutrition among children is the highest in the world barring Bangladesh. Of the 53 percent of children under age four, over 60 million remain undernourished, though between 1951 and 1995 food grain production has increased fourfold and famines have been eliminated except in remote tribal areas such as Kalahandi, Meighat. Nearly 19 percent of the people do not yet have access to safe drinking water and 15 percent are without access to health services. In the Human Development Index (published by UNDP), India ranks 139, just above Pakistan.



Floods add to desperate economic situation for many.

In this background, the Congress government ushered in a policy of liberalization, privatization and globalization – termed as economic reforms, under the dictates of the IMF and World Bank. To this were subsequently added the obligations under the GATT Treaty which are being carried out by the WTO. By these policies full play is being given to the market. The economy is being deregulated. The public sector is being dismantled. Indian agriculture has been thrown open to the vagaries of the international market. There is an open door for MNCs, imports are being liberalized by removing quantitative restrictions on hundreds of items and across the board reduction on import duties. The state is withdrawing from public spending on development of both physical and social infrastructure, etc.

These policies have led to a further aggravation of disparities, with only the top 10 percent or so of the population enriching itself at the expense of the remaining 90 percent. In 1992 the share in consumption expenditure of the bottom 30 percent of the population was 13.17 percent, while the share of the top 30 percent was 55.13 percent. This has further deteriorated at the bottom layers.

Land reforms, which are the key to economic progress, do away with the economic and social grip of the landlords and big landholders, improves the standard of life of the landless and the rural poor, eliminate economic and social oppression, and increase the purchasing power of the rural masses, have not been carried out.

The issue of a comprehensive legislation for the agricultural workers is still hanging. Agriculture as a whole provides employment to 64 percent of our work force, and contributes 27 percent of the GDP. It should have the highest priority in our economic policies.

There has been a slowdown in industrial production. In the core and infrastructure sectors especially, the growth rate has declined to 4.1 percent.

The Asian crisis has not yet caught up with the Indian economy, but the danger of recession and fall in exports due to greater competitiveness from Asian countries have to be taken note of. The rupee has depreciated to more than 42 per dollar, and therefore confidence in the rupee is getting shaken. The inflation rate is accelerating and prices of essential commodities are soaring.

The drive for privatization is being carried forward in a variety of ways, such as by outright sale of public sector units, dilution in equity and yielding

control to the MNCs. Disinvestment, unbundling and then corporatization of electricity boards is paving the way for privatization bit by bit, permitting entry into spheres hitherto reserved for the public sector, allowing contract work to replace departmental working, and so on.

EVOLVING CLASS DIFFERENTIATIONS ▣ The policy of liberalization pursued in our country is strengthening the monopoly section of the Indian bourgeoisie and those who are keen to have collaboration deals with MNCs and other foreign investors, both for technological upgrading and for share in the export and domestic markets respectively. This section and its foreign collaborators are also pressing hard for privatization so as to swoop down on the public assets built over the last four decades and acquire them for their own benefits. There are other sections that feel the inroads of the MNCs into their domain and resent the high-handed attempts at takeover and so on. They therefore cry out for a "level playing field," and for a tax and regulatory system which, within the market economy, gives them some amount of protection and ensures high profits.

The trend of economic developments in the country has also created a large middle class, which is prey to "consumerism," and actuated by narrow interests of bettering its own living standards and deriving benefits from budgetary and other policies. A section of them however, which realizes that this holds out no future for the mass of the people, is coming up and joining with other struggling sections for basic changes in these policies.

As a result of technological changes, the composition of the working class is also undergoing a change. But its class essence remains the same as before. The Indian working masses – workers, farmers and revolutionary sections of the middle class, the youth and the students – are poised for big and militant struggles, provided they are duly organized and unitedly led. In recent days, the firing of agitating farmers, agricultural workers and the landless fighting for their economic and social demands, and vicious attacks on striking workers and reactionary judgments which deny them basic rights of agitation and struggle are becoming common. These have all to be noted for the further intensification of the general class struggle.

The BJP is committed to serve the class interests of the Indian bourgeoisie and their foreign collabo-

rators. BJP is the spokesman of this class. Gullible sections of the middle class are just carried along on the basis of vague promises and by rousing sentiments on other non-economic and emotional issues.

THE IDEOLOGICAL FIGHT ▣ At the May 1998 Ahmedabad conclave, BJP leaders have concentrated their attack on the Communists and the left, because they know who their class opponents are. The ideology that guides the BJP is fascist ideology.

The BJP today is required to share power with a motley crowd of 18 parties. Actually, the BJP looks at the coalition as a stepping stone to its majority and single-party rule, when it can dispense with the partners and be free to pursue its own agenda. The partners are only helpmates in this process. The sooner the partners realize this fact, the better for Indian democracy. The present government may or may not last the full term, but the present political space that is occupied by this right-reactionary and communal party with its allies to back it, cannot be wished away. The task of fighting the BJP ideologically, politically, also on economic and social issues on the basis of concrete facts, will have to be carried on by the Communists and other sections of the left, along with other democratic and secular parties, groups and individuals, so as to base it as broadly as possible.

To be able to counteract the communal and reactionary forces, and mobilize the progressive, democratic and secular forces, the left has to increase its political clout. It has to spread out from its present limited bases and establish itself in other parts of the country, particularly the Hindi-speaking states. Only then it can hope to influence national developments and national politics in a decisive way. The CPI had sizable influence in several districts of Bihar and parts of Uttar Pradesh, acquired through its role in the freedom struggle, its leadership in the bitter land struggles against feudal elements and landlords, and its conduct of militant trade union struggles in industrial centers. Hundreds of Communists gave up their lives in these struggles. Other left parties also played a role in all this. The Communist and left influence was especially among the most exploited classes and oppressed sections of society.

Top priority has to be given to the task of fighting the communal forces and upholding secularism. This has become all the more urgent now that the BJP is in power and is trying to push ahead with its communal program. There is an attempt to present a

fait accompli to the nation. The Party should try its utmost to bring together and join hands with all secular forces for building a broad campaign, which would be area and issue specific, as well as at the general national level. A movement should be launched with immediate effect. The Party should expose the BJP's slogan of "cultural nationalism" and their opposition to the pluralistic culture of our country in a concrete way.

We should also guard against and oppose the emergence of Muslim communalism and fundamentalism, which further fuels majority communalism, and is self-defeating and suicidal. Muslim leaders should be made aware of this while we take up and fight for their genuine problems.

There is both urgency and possibility of building up a broad movement for total nuclear disarmament and against nuclear arms deployment and arms race. Various parties, social groups and prominent individuals from different walks of life are openly coming forward with this demand. The Party should make every effort to draw them together in a broad-based movement. It is necessary to rebuild good neighborly relations through dialogue. Those who are connected with the AIPSO and the old peace movement have a big task cut out for them. We must at the same time build up a movement against the sanctions.

We must oppose the policy of economic reforms, which are not born out of our needs, but dictated by international agencies, and expose their evil effects. We should organize struggles against these policies from the platform of our Party, joint platform of Left parties, and mass organizations.

A movement against skyrocketing prices, disinvestment and against privatization should be launched. We should extend all support to the initiatives on these issues by the trade unions, the Sponsoring Committee of Trade Unions, and the National Platform of Mass Organizations.

Attention should be paid to developing political activities, that is political agitation and propaganda, along with mass actions, so as to draw them toward the politics of the left, toward the secular, democratic alternative. Both for struggle and political advance, efforts for closer unity in action and organization should be intensified, especially among left-led organizations, and then with other democratic mass organizations as well, on specific issues.

The Party must orient its cadres towards work among the rural masses and develop grassroots

level activities.

We must take concrete measures for winning back and consolidating our old bases, and spreading out to selected new bases in new areas. This calls for intensive all-round activities, rather than spreading thin in vast areas without any specific political-organizational achievement. Our state and district councils should assign specific responsibilities to cadres allotted for work in such selected areas, and the Party Center should also give responsibility to its representatives who will render help and be answerable for performance therein.

We must develop support among democratic masses for defense of trade union and democratic rights of organization and agitation, which are threatened not only by vested interests and their musclemen, but also by governments which are trying to curtail these hard-won rights.

We should struggle for social justice, and oppose all atrocities and acts of discrimination on the basis of the class unity of the exploited sections of our people.

Special attention should be paid for championing women's equality, for 33 percent reservation of seats, and against all forms of atrocities perpetrated against them. We should help the NFIW to become a strong mass women's organization.

The problems of students and youth have been mentioned in the document. The present attitude of indifference and neglect has to be given up, and help rendered to the students and youth federations to emerge as militant organizations of the youth fighting for education and jobs, as well as in defense of secularism, democracy and social values in public life.

Ideological work among party cadres, as well as party masses has assumed great importance. It should be the aim of our Party education to equip them in this respect through Party schools and publications. Sales of publications and journals have to be increased several fold in the coming period. Seminars and workshops should be organized at main centers, on various ideological political, economic and social issues, involving both intellectuals and activists.

Future advances and success depend on correct politics, correct tactics and correct organization. It is organization that will eventually decide the fate and the future of the Party and its politics. □

Fighting for Peace in Israel

Adam Keller, Beate Zilversmidt

Yesterday afternoon, two Israeli soldiers were killed at a guerrilla ambush in Lebanon, and six others wounded – the latest victims in an endless, futile war, raging on unabated half a year after the Netanyahu government decided “in principle” to withdraw the army from Lebanon.

Just a few days ago – on the eve of Yom Kippur, the Day of Atonement – we took part in the March of Forgiveness held in the streets of Tel Aviv by the Four Mothers movement. To the accompanying sound of the Shofar, the traditional Ram’s Horn, the soldiers’ mothers who founded that group distributed leaflets to bystanders: “Just as the Shofar ushers in a new year, we demand that the government usher in a new policy concerning Lebanon and seek forgiveness for the failed policies of the past.” This afternoon, they will again picket the Defense Ministry – as they already did so many times in the past year ...

An active guerrilla war is also raging at Hebron – the unhappy West Bank city which was partitioned, 20 percent of its territory and 30,000 of its inhabitants being left under a harsh occupation so as to preserve the armed enclave of 450 Israeli religious-nationalist settlers created in the city center. Last week, a Palestinian grenade attack left fourteen wounded Israeli soldiers of the garrison charged with guarding the settlers (and far outnumbering them).

Since then, Palestinian Hebron is besieged by the Israeli army, while Palestinian inhabitants in the part of the city still directly occupied are under curfew – which does not prevent repeated violent confrontations with the army. We have gotten news from a group of Jerusalem activists of the Hebron Solidarity Committee, who arrived in embattled Hebron to demonstrate for the only sensible solution: removal of the settlers. Less than a minute after they began their peaceful vigil, police and soldiers

surrounded the group, confiscated their banners and took them off to interrogation and detention. Meanwhile the settlers, to whom the curfew of course does not apply, are “celebrating the Sukkot Holiday” with processions in the streets of Hebron, as well as busing in their political friends from elsewhere, to be entertained at “an open-air performance by superstar Hassidic artists” (as the settler internet site put it).

Meanwhile, we found nearly all our energy diverted to an unexpected arena: the outbreak of what seemed a new Intifada – not in the Occupied Territories but at Umm-El-Fahm, an Arab town within the pre-’67 borders. By law, the inhabitants of Umm-El-Fahm – like their counterparts in numerous other Arab villages and towns – are Israeli citizens, a full 20 percent of the total. They vote in parliamentary elections, and in the past decades started to realize some of the political possibilities which are open to an organized minority in a political system based on coalition governments. But officials in charge of such key issues as land, water and “law and order” continue to treat Arab citizens as enemies, to be held down, “controlled” and discriminated against. This decades-old situation is no longer tolerable to a new, confident and assertive generation among Israel’s Arab citizens.

Like so many earlier confrontations, the conflagration at Umm-El-Fahm was ignited by the declared confiscation of land – taking yet a new bite of what was left after most of the town’s agricultural lands were confiscated in the 1950s and 1960s. Officially the confiscation was aimed at creating a military training ground – but past experience has shown such military confiscations to be often leading to the eventual construction of civilian housing, with the right to purchase such housing reserved to Jews only. The flames of rebellion were fed by the brutal attack of the riot police on the local high school, apparently aimed at “nipping resistance in the bud” and achieving the exact opposite. For three days the town was a battlefield; several hundred inhabitants were wounded, some of them severely, by the semi-military “border Guards” using clubs, tear gas, rubber-coated bullets and in at

Adam Keller and Beate Zilversmidt work with the Other Israel, an Israeli peace organization.

least some cases live ammunition. They were as brutal as they could come without actually killing somebody.

Very soon, members of various peace groups made their way to the area to bear witness and express solidarity – first from nearby Kibbutzim, followed by organized delegations from Tel-Aviv and Jerusalem organized by such groups as Chadash, Gush Shalom, Peace Now, Rabbis for Human Rights, TANDI, and Bat Shalom. All were stunned by the police brutality. Some became personally embroiled in the confrontations, getting more than a whiff of tear gas (the already experienced locals offered onions, the smelling of which seems to be an effective antidote).

Dozens of activists from Peace Now and Gush Shalom who joined local youths in a vigil with banners reading “No to Confiscations – No to Racism” were doused by police water cannons turned on them, and chased by the relentless police for more than a kilometer. A large group of Jews and Arabs remained together throughout the chase, chanting in unison “Today, we are all Umm-El-Fahm!” even while the Border Guards wielded their batons.

The compromise which ended the clashes represents at least a partial victory for the townspeople: while the confiscation is not abolished, the army would not take possession for the next three months, and the landowners would be free to complete the olive harvest. With a modicum of common sense, the government should quietly let this status quo continue indefinitely, rather than risk a repeated outbreak next January. But good sense seems sometimes in short supply among government officials ...

A stream of visitors is continuing to arrive at the now-quiet town and visit the high school – made into a virtual place of pilgrimage where the bloodstains of the wounded pupils are still visible on the classroom walls. Labor Knesset members supported the request for an independent investigation of the police conduct made by the Israeli High School Teachers Union – a body which usually shies away from controversial issues.

As it happened, the Bat Shalom women’s peace organization opened today its already scheduled “Succat Shalom” (Peace Tabernacle) at Meggido Junction, just a few kilometers up the road from Umm-El-Fahm. This annual event – bringing together Jewish and Arab women (men



AP photo

Above: Palestinians protest the imprisonment of protestors at the hands of the Netanyahu government.
Below: Peace talks in Washington come to successful conclusion.



AP photo

are not excluded, either) for peace vigils and intensive discussions – has given this year a new meaning.

With all these happenings, we have nearly lost sight of another intensive American mediating effort at the Clinton-Netanyahu-Arafat summit. Could it be that this time it's going to lead to something? Clinton certainly threw all that is left of his personal prestige behind it. Reading the Israeli papers these days one gets, however, the feeling of *deja vu*: the same predictions of an impending deal were made in January when the three also met in Washington, and in May when the venue was London. By and large, Israelis seem to have lost interest in the long and weary process.

For the peace-oriented, the Prime Minister has just provided a new reason for skepticism: in the midst of supposedly crucial preparatory talks with Secretary of State Albright, Netanyahu announced the construction of new settler housing at Tel Rumeida in the heart of Hebron – and tomorrow evening he is to be the guest of honor at the ceremony where the settlement of Ariel will get the status of a city – which also entails the construction of an additional 3,000 housing units at this settlement, which is constantly expanding at the expense of neighboring Palestinian lands.

In September the Israeli Committee for Mordechai Vanunu and for a Middle-East Free of Nuclear, Biological and Chemical Weapons – to use its full name – marked the twelfth anniversary of the nuclear whistleblower's Vanunu's kidnapping and incarceration. The committee's activists, together with like-minded volunteers from all over the world, picketed Vanunu's prison at Ashkelon, the Defense Ministry in Tel-Aviv, and the Dimona Nuclear Pile – where some of them were arrested trying to carry out a "citizen's inspection."

In between these actions, the issue of nuclear arms came to the top of Israeli public consciousness – in a sudden flurry of threats and counter-threats between Israel and Iran, with each side proudly displaying bombers and missiles capable of reaching the other's territory. This verbal exchange coincided ironically with the new peak in Teheran's rapprochement with the West. For Israel to become part of such a rapprochement would require at least some willingness to reciprocate

on its demand that other Middle East countries give up their arsenals of mass destruction. A hopeful glimpse in this direction was created by Nes Ziona Mayor Yossi Shvo. Shvo, an average Israeli politician, in no way a radical, started a campaign against the top-secret State Biological Institute located in his city, just south of Tel-Aviv. Persistent newspaper articles – abroad and recently also in the Israeli press – identified this as the place where chemical and biological weapons are produced on a large scale. Mayor Shvo has not commented on the morality of producing and stockpiling such weapons, nor on the long-term results for the Middle East; he simply declared his displeasure with having this institute in his city, and already got an injunction from the Supreme Court forbidding the Biological Institute to extend its boundaries, and mandating an independent environmental study.

Since September 16, when five Palestinian houses were demolished on a single day by the Israeli army, the demolition crews seem to have taken a break – confining themselves to threatening "reconnaissance patrols" by military jeeps near some of the threatened houses. Moreover, the military government announced that 700 "illegal" houses and a further 1300 "illegal extensions of houses" would be spared. Both of these results could be attributed to the international protest campaign in which many have taken part. Still, we have no illusions that the struggle is over. The military government says that the "pardoned houses" are those which were "built close to existing Palestinian towns and villages" – but refused to clarify exactly what "close to" means. Certainly, it seems unwilling to identify these houses and give their inhabitants an official permit. And the new dispensation gives no new hope to those who live in thousands of Palestinian homes not near town or village boundaries, nor to Bedouins whose camps are being systematically destroyed.

On October 9-10, Israelis and Palestinians directly defied the house demolitions policy by jointly and openly rebuilding a demolished house the house of Muhammad Fakia of Kattana village, which was destroyed on August 12, leaving a family with thirteen children homeless as winter approaches.

This action was organized by the Coalition Against Home Demolitions – comprising of Bat Shalom, Gush Shalom, Rabbis for Human Rights and others. □

U.S. Imperialist Crisis Escalates

Gerald Horne

As the stock markets globally continue to plummet, the grim realization has hit Wall Street that what was first described as an "Asian Crisis" may have infected the U.S. economy itself. Initially there was a sense of "triumphalism" among the U.S. ruling class when the crisis first hit southeast Asia in the summer of 1997; there was a widespread – and racist – feeling that those "uppity Asians" had received their due. Now however, those broad smiles have been wiped away by the dawning recognition that the U.S. itself will be affected by what is a global downturn in the entire capitalist system.

At the same time, the triumph of left and social democratic forces in recent elections in Sweden and, particularly, Germany have been a major setback to the U.S. right wing and is a sober reminder that their own shelf life may soon be expiring. The loss in value of the ruble, the mass demonstrations in Moscow and the weakening of the sell-out regime of Boris Yeltsin also has portended a more progressive turn for Russia, while the prospect of a collapse in Brazil has unnerved those U.S. banks with billions invested there. This has sparked a mass questioning of the ideology of "free markets" and deregulation. Diverse nations have taken firm measures to restrain, if not circumscribe, capital. Indeed, historians looking back on this period may well mark this moment as a turning point in U.S. imperialism's ongoing war against the public sector and regulation of capital. Simultaneously, labor and other progressive forces in the U.S. have stepped up their activity, which likewise has chastened the most aggressive imperialist forces.

The calamity faced by imperialism was captured neatly by billionaire investor George Soros who shocked Congress recently when he said bluntly, "The global capitalist system ... is coming apart at the seams."¹ In other words, despite the fervent wishes of some, the dissolution of the Soviet Union did not erase the "general crisis of capitalism." It continues and, in some ways, has accelerated.

Inevitably, capital has sought to place the bur-

den of this crisis on the backs of labor. A recent report showed that major companies announced plans to eliminate 321,217 jobs nationwide during the first seven months of 1998, up 37 percent over the same period last year. In July 1998 alone employers announced they would lay off 50,774 workers, producing the highest cutback total for July in five years. Supposedly, "high-tech" industries were the engine of this so-called crisis-free "new economy" in the U.S. but, in fact, the semiconductor, computer and electronic industries have been slashing jobs steadily. Nearly one of three job cuts this year came from these sectors. Even traditional sectors, like apparel, have been hit hard, with employment falling there totaling 774,000, down 34,000 since December 1997. Ford Motor Corp. has announced a program aimed at slicing 5,000 white-collar jobs from their ranks and General Motors is moving in the same direction.² Thus, not surprisingly, corporations like United Parcel and GM have been hit by major strikes by the Teamsters and United Auto Workers respectively.

This crisis is most evident on the West Coast, the region of the nation closest to Asia and most dependent on trade with that continent. California's output of \$1 trillion is outranked by just six nations in the world; it is second only to the state of Washington – home of Boeing and Microsoft – in its dependence on trade with the ten hardest-hit Asian nations. Some segments of the Golden State's economy – high-tech, aerospace, farming, tourism, forestry, seafood – are even more vulnerable because of their heavy reliance on Asian markets, particularly Japan. Deflation has hit agricultural products particularly, as prices for wheat, soybeans, corn and cotton have fallen by as much as one-third in the past 24 months.³

Wall Street and Washington, D.C. have provided stern instructions to Asian nations, prescribing bitter medicine, e.g. allowing financial institutions to fail. However, when Long Term Capital Management – which held investments by leading U.S. plutocrats and banks – encountered severe difficulty, the Federal Reserve Bank of New York orchestrated a \$3.5 billion rescue. Tadashi Nakamae, a prominent

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economist in Tokyo, echoed the sentiments of many in Asia when he remarked, "It showed us that the Americans could easily ignore their own principles." Likewise, the U.S. was irate when Malaysia implemented capital controls to hamper attacks on its currency, arguing that this violated allegedly inviolate "free market" principles.⁴ However, the U.S. labor movement could have told Nakamae that the "free market" exists for unemployed workers, not for wealthy investors: the bailout for LTCM was

The "free market" exists for unemployed workers, not for wealthy investors.

consistent with Wall Street's principles.

Just in case Asian nations – or others – might want to confront the U.S.

more directly on its policies of hypocrisy and exploitation, Washington has continued to pour billions into the military budget; this has the added advantage from Wall Street's viewpoint of continuing to insure that the national income pours upward to the Boeings and Lockheed Martins of this country. The current military budget is a mass giveaway to the military-industrial complex with billions allocated for more aircraft carriers, B-2 bombers, Trident II missiles, ballistic missile defense (a putative violation of the Anti-Ballistic Missile Treaty, by the way), cargo aircraft, attack submarines, amphibious ships – and much, much more. The Republicans have sought to revive Ronald Reagan's wacky "Star Wars" scheme – in a version called "Star Wars Jr." – which even *Business Week* has been forced to concede is "still the equivalent of hitting a bullet with a bullet." The GOP wants to spend a whopping \$18 billion on this madness.⁵

Washington is indirectly seeking to utilize this hysteria about missile defense by scaring Europe and Japan – chief competitors of the U.S. in global markets. The "Commission to Assess the Ballistic Missile Threat to the United States," which was initiated by Congress, wound up spilling a good deal of ink warning Europe about the alleged threat they face from Scud missiles from the Middle East and warning Japan about the alleged threat of Scud and other missiles from North Korea. Such an approach not only justifies pouring more billions into the

pockets of Lockheed Martin, it also helps to lasso U.S. competitors into costly dependence on U.S. imperialism – witness the \$12 billion that Japan was compelled to cough up for the Gulf War – while pushing them toward dangerous alliances aimed at developing nations.⁶ All the while, it guarantees that developing nations will be sufficiently intimidated and won't push for higher prices for the oil, rubber and other raw materials that fuel the economies of the U.S., Europe and Japan.

Already the acolytes of U.S. imperialism are preparing for what they brazenly and openly call "wars of the new millennium." In his immensely hyped book, *The Next World War*, James Adams, the wealthy businessman who heads United Press International, speaks of "cyberweapons" – e.g. "electronic Trojan horses inserted years earlier in computers China had imported," and other measures to disrupt satellites, phone systems and the like.⁷

MILITARIZING THE ECONOMY ■ These bellicose developments are facilitated by the fact that there continues to be a revolving door, shuttling generals and admirals into corporate suites. Their military experience helps to provide their new corporate patrons with sensitive intelligence helpful in obtaining government contracts, while their new found wealth helps to provide hefty campaign contributions to right-wing politicians eager to respond to their whims. The military discipline to which they are accustomed means they are prone to follow orders and execute mandates – even if they are anti-human. Thus, General Electric has hired "200 junior military officers annually" in recent years and now has "711 of them on the payroll" where they "have already gained significant promotions."⁸ Despite the dissolution of the USSR, the military-industrial complex continues to flourish and, indeed, in some ways has expanded.

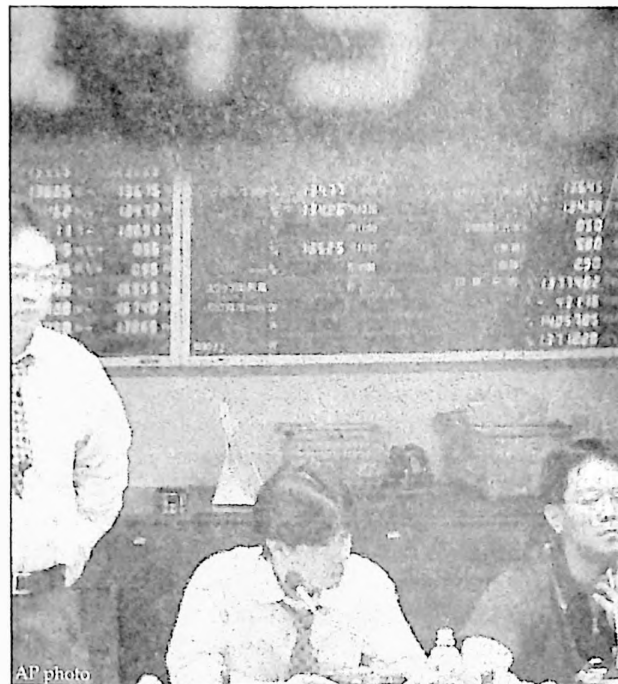
Washington has sought to insure that its more militaristic schemes can be implemented with little difficulty by seeking to block the treaty calling for an International Criminal Court that, inter alia, would try those who perpetrate war crimes. Though 120 nations voted for this treaty at a recent meeting in Rome, the U.S. stood in virtual isolation in opposition – opposed by its key "allies" including Britain, Canada and Germany. Interestingly, the U.S. followed the lead of the troglodyte, Senator Jesse Helms, in staunchly opposing, in particular, Article 12, which enables the ICC to exercise jurisdiction over serious war crimes and crimes against humani-

ty if either the state where the crime occurred or the state of the defendant's nationality is a party to the Rome treaty or consents to the court's jurisdiction.⁹ One has to ask: why is the U.S. so insistent on blocking prosecutions for war crimes? What plans does U.S. imperialism have in store as this crisis continues to deepen?

Of course, it would be one-sided to assume that the present crisis has been wholly negative for U.S. imperialism. To the contrary, U.S. monopolies have been able to take advantage of the difficulties faced by some of its competitors. Merrill Lynch, a key beneficiary of the LTCM bailout, has acquired Phatra Thanakit, the Thai investment bank; Lehman Brothers snapped up the Thai unit of the Peregrine, the collapsed Asian investment bank.¹⁰

In July 1998 the U.S. real estate firm Colony Capital offered to buy a just-finished upscale residential development in the Philippines from its near bankrupt owners for about \$30 million – but the owners refused. Three weeks later, however, their South Korean bankers told them to sell or be forced into receivership. The upshot: Colony got the property for about 15 percent less than its original offer. During that same period, Hambrecht & Quist – backed by the World Bank – opened an office in Seoul, its tenth in Asia, while L.A.-based Financial Capital Corp. expanded its operations in Asia. H&Q quickly bought two Bangkok-based firms on the brink of bankruptcy; the size of this deal was dwarfed by the \$650 million purchase of Thailand's Nakornthai Strip Steel Mill by a U.S. consortium that included Enron and Steel Dynamics. Goldman Sachs and Morgan Stanley Dean Witter are snapping up property loans or the properties themselves, particularly in Japan. All told, foreign acquisitions in Asia were worth about \$12 billion in the first six months of 1998, almost triple the figure for all of 1997. A rash of appropriately named "vulture funds" have been formed in the U.S., which have been swooping down on distressed Asian firms.¹¹

Needless to say, this U.S. invasion is causing another kind of distress throughout Asia, as nations like South Korea wonder if they are being "recolonized." Nonplussed and arrogant, U.S. monopolies have continued pursuing this "beggar thy neighbor" approach. Recently a number of U.S. steel companies lodged complaints against Japan, Russia and Brazil, accusing them of selling steel in the U.S. at unfairly low prices and imperiling the domestic industry. In response Nippon Steel of Tokyo, the



AP photo
Japanese stock market crashes causing tremors around the world.

world's biggest steel company said that their exports to the U.S. between October and December 1998 would most likely fall ten percent compared with those in the period a year earlier.¹² NS denied that this retreat was in response to the complaint though others in Tokyo were reportedly incensed by this U.S. maneuver.

CRISIS IN JAPAN ■ This is just one of many irritations at the heart of U.S.-Japan relations. Secretary of the Treasury Robert Rubin, a multi-millionaire investment banker, never misses an opportunity to scold Tokyo, blaming their real and imagined failures as the chief culprit driving the global economic crisis. It is true that the Japanese banking industry is in trouble and has outstanding debts and loans that probably will never be collected. However, some analysts feel that the U.S. – as part of its effort to gain an advantage over this rival – has overplayed Japan's troubles. For example, Eamonn Fingleton, author of a controversial book that claims that the Japanese economy will soon be larger than that of the U.S., has observed that despite Tokyo's problems Japanese firms continue to set the global standard in many sectors. Toyota remains ahead of its U.S. competitors in developing the next generation of autos that will move beyond the internal combustion engine; their plant in Georgetown, Kentucky in

some ways remains more productive than those of its U.S. competitors. Japan continues to post huge trade surpluses exceeding a startling \$650 billion during the 1990s.¹³ Likewise, Japan remains the world's top aid donor for the seventh consecutive year and recently, according to the *Japan Times*, "is placing importance on assistance for Africa" to the tune of \$802.8 million in 1997.¹⁴

Nevertheless, it would be fatuous to deny that Japan – like a good deal of Asia and sectors of the U.S. as well – has been impacted by economic recession. This development has helped to discredit the ruling Liberal Democratic Party and has improved the fortunes of Japanese Communists. In July 1998 CP Chairman Tetsuo Fuwa visited Beijing for high-level talks with Chinese President Jiang Zemin. This was the first visit of a Japanese Communist leader to China since 1966 and was an attempt to repair relations between the two Asian parties damaged by the "Cultural Revolution." The Pentagon was not pleased by reports emerging from this meeting that questioned the recently concluded U.S.-Japan defense cooperation agreement.¹⁵

Washington was also not pleased when, during the Japanese elections in July 1998, the JCP was one of only two parties to capture new seats in the upper house elections; its 23 representatives, up from 14 before the poll, make it the second largest opposition party in the 252-seat chamber. This rise came at the expense of the LDP and the rapidly diminishing Social Democratic Party. JCP leaders are discussing whether to join a coalition government within the next few years. Their real strength is at the local level where the party holds more than 4000 city council seats nationally, compared with the LDP's 3600. The JCP has been a staunch opponent of Tokyo's defense cooperation with the U.S. – which is widely seen to be aimed at China.¹⁶

Washington's irritation may shed light on the increasingly insistent cries emerging from Asia calling for the formation of a "Tokyo Club" that would "provide leadership for the restructuring of the region's banks and corporations." This has caused raised eyebrows in Washington, which is suspicious that such a move will undercut the U.S.-dominated International Monetary Fund and undermine the growing U.S. role in Asian companies, which has been spurred by the recent crisis.¹⁷

U.S. imperialism continues to be ensnared by an essential dilemma: it finds it difficult to maintain negative relations with Japan and China simultane-

ously and would like to be closer to each than they are to each other; however, with the growing strength of the Japanese left and their rapprochement with the Chinese Communist Party, attaining this goal becomes ever more difficult.

U.S. CHINA DYNAMIC ■ Despite President Clinton's lengthy trip to China, recent developments have indicated that relations between Washington and Beijing are undergoing some strain. The U.S. has announced that it would ban all Chinese imports that are shipped in raw wood packing materials that carry a devastating insect pest, the Asian long-horned beetle. The ban is likely to result in delays or higher costs for a third to half of China's \$62 billion in exports to the U.S. Trade between the two has grown to \$80 billion this year, compared to a paltry \$5 billion 15 years ago.¹⁸

Shortly thereafter, a senior U.S. trade official – Undersecretary of Commerce for International Trade, David L. Aaron – sharply criticized what he called China's unwillingness to open its markets to foreign companies. The trade deficit between the U.S. and China is a staggering \$50 billion in Beijing's favor – and growing – though the PRC maintains that the figure is closer to \$20 billion, which is still a sizeable amount. According to the *New York Times*, the "polite discussions on trade that surrounded President Clinton's visit ... have evidently given way to exasperation and blunt talk."¹⁹

More than blunt talk is involved. The China Ocean Shipping Company (COSCO), has been prevented by Congress from leasing a terminal in Long Beach, as a result of "anti-China" sentiment. As one Congressional aide put it, "no one was going to brave the talk-radio attacks as being soft on Communism and China just for Long Beach," which would have benefited handsomely from this deal. Strikingly, this maneuver was spearheaded by Southern California Congressmen like Duncan Hunter, Randy Cunningham and Dana Rohrabacher, though this region was the loser financially because the deal with China failed.²⁰

Though a number of U.S. firms, e.g. Eastman Kodak, have bet the ranch on investments in China, increasingly U.S. imperialism is beginning to eye the Chinese market skeptically. One highly touted report concluded that "more than half the multinational corporations in China are failing to make a profit."²¹ Yet another highly publicized report expressed grave concern about Beijing's decision to



The Kodak corporation has heavily invested in China.

close “the only channel through which foreign firms can invest in the local telecommunications services market,” which “jeopardizes \$1.4 billion in foreign investment.” There have been curbs on foreign companies’ access to loans in the Chinese currency, the renminbi. Querulously, the *Financial Times* wondered, “All these factors lend legitimacy to questions which only months ago would have seemed absurd. Is China turning inward? Is the ‘open door’ policy of almost 20 years creaking closed?”

In addition to seeking to shield its economy from the rot of capitalism’s latest crisis, China may also be reacting to the “anti-China” moves in Washington, including the targeting of Chinese-Americans in alleged campaign finance violations. Beijing also has condemned U.S. plans to sell missiles and anti-submarine torpedoes to the rebel province of Taiwan. According to Beijing, this is in blatant conflict with the 1982 communique further normalizing U.S.-China relations, which called on Washington to gradually reduce arms sales to Taiwan.²²

This U.S.-PRC conflict comes at a particularly inopportune time for U.S. corporations that have managed to sink millions into China, e.g. Motorola, which has clocked up sales of \$3.7 billion in China of late. Yet, this Schaumburg, Illinois-based company just announced that it would cut 15,000 jobs globally and take a \$2 billion charge against earnings. Despite cutting back elsewhere – including the U.S. – Motorola is pushing forward with \$1.3 billion in new

investment in China, including new cellphone and semiconductor factories. “China is the second largest market for us in the world outside of the United States,” says Motorola’s vice-president, Rich Younts.

China is critically important to this company’s plans since it lags desperately behind the Swedish giant, Ericsson, in key global markets. China is the fastest growing telecommunications market in the world and the world’s third-largest cellphone market. Motorola has invested a hefty \$2.5 billion in China, more than anywhere outside the U.S. Thus, recent moves by Beijing that have been perceived as hampering future investment in telecommunications has hit Motorola like a thunderclap.²³

It is unclear if the European Union (EU) will follow the U.S. if the latter’s anti-China crusade heats up further. During the first six months of 1998 the volume of bilateral trade between China and the EU reached \$21.54 billion, an increase of 17.5 percent on the same period of 1997. EU investment in China has increased substantially; 44.9 percent of China’s total imported technology comes from the EU.²⁴

Brussels may well be reluctant to follow the ultra-right in Washington.

The general crisis of capitalism – which has taken on global dimensions – is fomenting heightened tensions between and among leading nations. This perception was illustrated when farmers and ranchers from North Dakota blockaded Canadian border crossings to keep farm products out of the U.S. A tractor was placed on railroad tracks. From June 1993 to May 1994 Canada shipped nearly 91 million bushels of wheat south but then – under pressure from the U.S. – agreed to limit exports. However, these quotas were lifted a year later and grain shipments from Canada have increased to 73.2 million bushels in the past year. Canadian analysts pointed out, in turn, that the U.S. exported 28 times as much wheat each year as it imported from Canada. The crisis in Asia has depressed demand abroad making it more difficult for farmers to find markets for their products, while reigning “free market” ideology makes government intervention more problematic and difficult.²⁵

This “free market” ideology is particularly imbedded in the Deep South, the historic home of reaction and the headquarters of Trent Lott, Newt Gingrich and other Republican leaders. Here unions are weaker and wages, therefore, are lower. This has caused a number of European firms to throw their workers into the unemployment lines by moving to

the lower-wage havens of the South. Two years ago British Steel shipped an entire iron plant – lock, stock and barrel – from Scotland to Alabama. Mercedes Benz operates a huge plant in Tuscaloosa. But just as capital has concluded that it may be cheaper to operate in Alabama rather than Scotland, other bosses have been moving Alabama jobs to Mexico and points further south. Trade between Mobile and Mexico has increased five-fold since 1995. Since 1995, this “cradle of the Confederacy” has lost 20,000 jobs in textile alone. The bottom line is that Alabama workers – or at least those lucky ones with jobs – are working longer hours and receiving fewer benefits and less wages than their unionized counterparts in other regions.²⁶ “Free market” ideology and the hyper-mobility of capital in particular has been a boon for bosses – but not workers.

INTER-IMPERIALIST RIVALRIES ■ Though pundits routinely refer to leading European nations as U.S. “allies,” this blithe category often obscures more than it reveals. For with the dawning of the common European currency – the “euro” – and the coming to power of a Green-Social Democratic alliance in Germany, in conjunction with a socialist government in France – it is apparent that relations between the European Union and the U.S. will grow more complicated.

Indeed, as the crisis deepens in Asia, monopolies from the U.S. and EU will be forced into stiffer competition. For example, Boeing will be selling fewer planes in Asia in the coming months; this is partially because of the crisis and partly because their chief competitor, Europe’s Airbus Industrie has been beating their U.S. competitor to the punch. Similarly, cancellations of Asian orders will make competition for remaining markets that much more intense. In July 1998 the French construction giant, Bouygues, stopped building a huge railway station in Kuala Lumpur when the Malaysian authorities simply stopped paying. For French distillers the Japanese and southeast Asian markets have been the prime consumer of the priciest cognacs; that market now has collapsed and, instead, these consumers may be buying Kentucky bourbon and U.S. beers. Moreover, Europe is concerned about a flood of cheap Asian imports into their markets buoyed by devalued currencies; this could devastate domestic markets.²⁷

However, it is the “big-ticket” items – particularly aerospace – that is roiling the waters between the U.S. and the EU. When both United Parcel Service

and General Electric Capital Aviation Services (GECAS) decided to buy Airbus – not Boeing – it was a direct signal that the Seattle corporation was enduring excruciating competition. These Airbus successes were followed by a sizeable order from a Dubai-based airline. Then defense ministers of Britain, Germany, France and Italy signed a treaty giving legal status to Occar, the embryonic European arms procurement agency; this too was widely interpreted as a blow to Boeing, McDonnell Douglas, Lockheed Martin and other U.S. firms that are frightened about increased competition from the Eurofighter combat aircraft, Horizon frigates and other weapons of war, production and procurement of which has been dominated by U.S. monopolies.²⁸ This sector is particularly sensitive, not only because U.S. military hegemony has been critical to U.S. hegemony globally but also because the Western European Union – which can best be described as NATO without the U.S. and Canada – has been growing and is perceived as a long-term threat to the U.S.-dominated North Atlantic Treaty Organization.

The latest conflict between the U.S. and EU involves a so-called “cyber war.” At issue is the EU’s directive on data protection – a measure that imposes strict regulation of the collection and use of personal data on the Internet and all computer systems. This measure has run smack dab into reigning U.S. ideology which calls for deregulation of the Internet. This conflict could lead to a serious disruption of transatlantic electronic commerce, which the U.S. views as a new Klondike of riches.²⁹

The U.S. refuses to learn, for the rigid cant of deregulation and free markets already has caused U.S.-based monopolies to fall behind their European competitors in key sectors of the telecommunications industry. More than a decade ago Europe decided to implement a common digital standard, known as GSM (global system for mobile communications), while the U.S. decided to opt for a “tangle of competing phone standards, bred by its laissez faire philosophy.” This deft move has facilitated the ability of Ericsson and Finland’s Nokia to “call the shots for the next generation of cell phones, which will be able to cruise the Internet and deliver live video.” Four new customers are switching on a GSM phone every second; the result – manufacturing economies of scale – has prompted a good deal of Asia, most of Europe and even the U.S. to embrace this standard. Meanwhile, U.S. firms like Qualcomm and Motorola are lobbying Washington

to intervene and do something about their rapidly diminishing market share in this multi-billion dollar industry. If Washington follows their lead, relations between EU and the U.S. will suffer further.³⁰

The conflicts between Brussels and Washington are so varied that a library could be filled detailing them all; allow a few more examples to suffice. Coca-Cola was outraged when France blocked their \$880 million purchase of Orangina.³¹ There have been bitter "recriminations" between the U.S. and EU because of a dispute involving the latter's import of bananas; Brussels has charged Washington with "legal harassment."³² Big hog farmers – like Senator Lauch Faircloth of North Carolina – are worried sick about the challenge presented by Denmark. The Danes concentrate on products where consumers look at quality, hygiene and animal welfare, while the U.S. has lax environmental and related standards because of the dogma of "free markets" and deregulation; as a result, the U.S. has eight times as many cases of salmonella as the EU. and Denmark feels they are undermining their position in global markets, particularly in Japan.³³

The formerly socialist neighbors of the EU are beginning to wonder if they made a catastrophic error by deciding to follow the lead of the U.S. and overthrow Communist rule. This has meant a sharp fall in standards of living, increased mortality and rampaging crime. Philip Morris has been a prime beneficiary of the changes in Eastern Europe; as a result the World Health Organization estimated that in 1995 about 17 percent of all deaths in the region were caused by tobacco use. The chance of a 15-year-old boy in Eastern Europe surviving until the age of 60 is about only half that of a western European boy and is worse than in many developing nations. As lawsuits and large settlements hinder the operations of these tobacco companies in the U.S., they have found new lungs to pollute in Eastern Europe.³⁴

The peddling of death by monopolies like Philip Morris is simply indicative of the grossly exploitative and amoral practices of U.S. imperialism generally. This trend has reached its nadir in Afghanistan, where the CIA conducted one of its largest operations since its founding with the express purpose of bleeding that nation – and the former USSR – dry. Now the medieval Taliban rule and its intolerance, adventurism and complicity in drug-dealing has enraged many of its neighbors, not least Iran, which has amassed thousands of troops on their border

because of the Taliban's murder of diplomats from Teheran.

MORALITY AND PROFITS IN AFGHANISTAN ■

Though the Taliban has faced diplomatic isolation, it has found a friend in Unocal, the California-based transnational. Supposedly this company has halted work on a \$1.9 billion, 1,500-kilometer gas pipeline and a \$2.5 billion, 1,650 kilometer-oil pipeline in Afghanistan. This precipitous change came after Unocal repeatedly refused to halt the project. What changed their mind? Perhaps it was a petition filed by a coalition of activists demanding that California Attorney General Dan Lungren revoke their corporate charter, which could make illegitimate its future operations in the Golden State – and elsewhere. Not only did these progressives cite this unseemly alliance with the Taliban in their filing, they also noted that this corporate predator has released toxins at 82 Superfund sites. Activists also filed shareholder resolutions, launched consumer boycotts, and filed lawsuits before concluding that revoking the company's charter should be pursued. This trail-blazing effort has been joined by the Feminist Majority Foundation, which was moved by the Taliban's retrograde attack on women, barring them from most jobs and mandating that they be covered from head to toe – on the rare occasions when they are allowed to leave home. Joe Drexler is a leader of the Oil, Chemical and Atomic Workers Union, a union which once represented 1,500 Unocal workers that declined to 200 as the company sold its refinery and marketing operations; this union leader noted that "Unocal thinks it is immune to morality and public opinion."³⁵

Dramatic moves like revocation of Unocal's charter are needed because U.S. monopolies are determined to ally with the Taliban, despite the insistent cries from human rights advocates. Telephone Systems and International of Parsippany, New Jersey has just signed a \$240-million pact to build a cellular telephone system for the Taliban. A spokesman for the Clinton administration's National Security Council endorsed this agreement.³⁶

Close observers of U.S. policy in the region were not surprised as there has been a historic tendency for Washington to link arms with the most reactionary forces in the region. For example, though the U.S. has been willing to go to war to enforce United Nations resolutions against Iraq, it has been relatively passive in the face of similar violations by the

Likud government in Israel. As a result, hostility to U.S. imperialism is increasing daily. Thus, the most popular film in movie mad Egypt nowadays is *Saidi at the American University*, which concerns a scholarship student at this U.S. institution; when the university officials get their comeuppance and the Israeli flag is burned, audiences cheer; according to the *Los Angeles Times*, this film holds a "lesson for Washington policymakers on how badly the U.S. image is faring in the Arab world."³⁷

Progressive forces in the region are upset with Washington for good reason. Their ire was inflamed further when credible reports appeared in the international press – though not in U.S. organs – about alleged U.S. sponsored biological warfare against Iraq. There has been an outbreak in this beleaguered nation of the screw worm that has reached "epidemic proportions." George Pumphrey, a senior researcher for the German Parliament, claims that Iraq has been "a victim of what appears to be a deliberate introduction of the screw worm as a biological weapon." These pests can kill a cow in less than seven hours; humans can also be affected. Iraqi officials say that 40 people have died recently as a result of the outbreak. Iraq's neighbors – particularly Jordan and Syria – are also threatened. Though Food and Agricultural Organization (FAO) official Henning Steinfeld has lamented this development, the international community has been slow to respond to this disaster, presumably because of U.S. pressure.³⁸

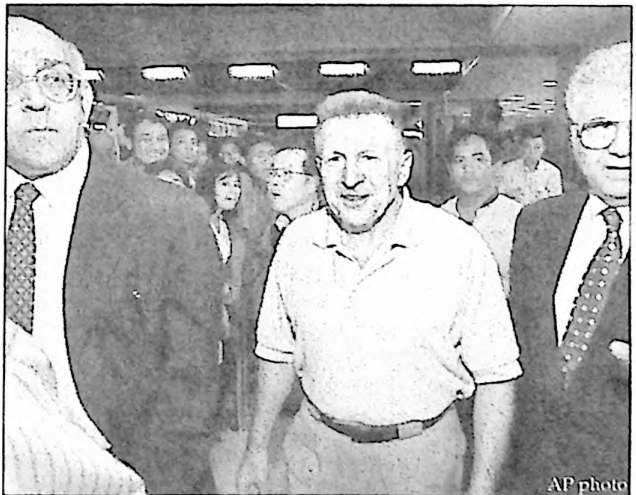
U.S. IMPERIALISM IN AFRICA ■ Because of such troubling events and the continuing effort of the U.S.-dominated IMF to impose austerity regimes on developing nations, Washington's prestige in Africa has dropped sharply. The visit by President Clinton to Africa in the spring of 1998 was seen widely as a continuation of the jousting between Paris and Washington in the region; Africa does not want to be drawn into a game between the major powers where it is treated as no more than a pawn. Yet, that appears to be happening. In the Democratic Republic of Congo, President Laurent Kabila's regime is being rocked by an internal rebellion allegedly assisted by close U.S. allies Uganda and Rwanda. In turn, Angola, Namibia and Zimbabwe have intervened on the side of the government. The Zimbabwe press has charged that the U.S. is "implicated" in the "flare-up" in Congo.³⁹ Substance was added to this report when it emerged that American Mineral Fields – based in Hope, Arkansas – was backing one rebel group, the

"Council of the Federal Democratic Republic of the Congo."⁴⁰ This represents a shift for the company once supported the Kabila-led insurgency.

Because of their disgust with Washington's policies, African nations are searching for alternatives to IMF development schemes. One notices this particularly in Egypt, which, along with South Africa, is a major economic force on the continent. In June 1998 Cairo joined the Common Market of East and Southern Africa; until this occurred Egypt was the only Organization of African Unity nation not to be attached to any African economic bloc. Disappointment with the U.S.-sponsored Middle East process is a major reason for Cairo looking south.⁴¹

Egypt is also responding to the simple reality that – according to a recent study – Africa is the world's "fastest growing region." Of course, the downside is that this continent is heavily dependent on export of commodities, prices of which are in the process of deflating.⁴² Still, it cannot be ignored that there are strikingly positive developments in Africa that have not penetrated the hostile anti-African atmosphere that is inherent to U.S. imperialism. The West African nation of Ghana – where W.E.B. Du Bois and Shirley Graham Du Bois took out citizenship in the early 1960s – is on the verge of an export boom involving cassava. This tuber, which resembles a potato, can grow in poor soil and survive in droughts when other crops fail – it also has numerous industrial applications. Development of this root crop could put a major dent in one of Africa's most pressing problems: hunger.⁴³

The ubiquitous presence of commodities – par-



"Structural Adjustment" plans imposed by IMF bankers shown above spell disaster for 3rd World economies.

ticularly oil, the lifeblood of industrial economies – helps to explain why the U.S. continues to interfere in the internal affairs of African nations. Chad is the most recent example. There member of Parliament Ngarledjy Yorongar has been jailed because of his opposition to a Chad-Cameroon oil extraction pipeline project planned by Esso/Exxon, Shell, and other oil giants in cooperation with the World Bank. What is particularly chilling about his arrest is the fact that he objected to the imposition of Multilateral Agreement on Investment (MAI) principles in Chad. MAI, which has been described as “NAFTA on steroids,” has yet to be ratified by the international community but its diabolical principles – most notably the usurping of sovereignty of smaller nations – already are being implanted in Africa. This oil project would be a virtual “state within a state” beyond the purview of the Chadian government and this is precisely what Yorongar objected to and this is precisely what led to his jailing. Chad’s experience may be a harbinger of what other sovereign nations may face: bow down before trans-national corporations – or go to jail. ⁴⁴

This economic growth and wealth of Africa is attracting sprawling plans for development. A trans-Africa rail link is being planned that would link the continent from Cairo to the Cape; this project is being planned by South Africa interests.⁴⁵ The African National Congress, Communist Party, Congress of South African Trade Unions alliance remains intact in South Africa despite a few strains and is expected to prevail in elections scheduled in 1999. That the most powerful nation on the continent is being steered by such a progressive alliance is further reason for optimism about development of the entire continent.

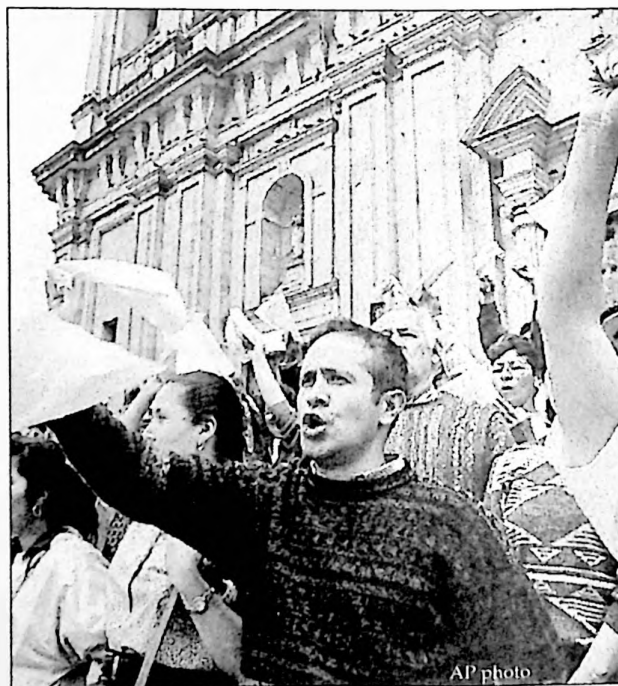
Also worthy of note was the ascension of South Africa to leadership of the Non-Aligned Movement after their recent successful summit in Durban. The observers there from the EU, U.S. and other nations was testament to the fact that NAM – which is disproportionately comprised of African states – remains a force to be reckoned with. China also was present in Durban, which was further indication of this nation’s growing interest in Africa. In the first six months of 1998 the total volume of Sino-African trade was \$2.86 billion, an increase of 12 percent over the same period of 1997. China is exporting technologies and complete sets of equipment to Africa, not to mention farm machinery, household electric appliances and communications equipment.⁴⁶

The perils faced by U.S. imperialism are

glimpsed most dramatically in Latin America. Not only are U.S. investments there imperiled by the monumental problems faced by Brazil and other nations but, as well, the example of Cuba continues to stand resolutely as a beacon of anti-imperialism.

A recent survey by Merrill Lynch of 26 of the largest emerging market debt funds found that 20 percent of their assets were Brazilian. More than 2000 U.S. companies operate in Brazil; 405 of the Fortune 500 have subsidiaries there. Although Mexico is the U.S.’s second largest trading partner, direct U.S. investment has been heavier in Brazil than Mexico since the start of the decade.⁴⁷ U.S. companies have invested billions of dollars there and Brazil is now the 11th largest destination for U.S. exports, which last year totaled \$16.9 billion. Citibank has \$3.7 billion in loans there; Bank of Boston, \$3.4 billion.⁴⁸

This is ironic since the collapse of the ruble and the default on debt by Moscow has been seen widely as having significant impact on the U.S. economy. Thus, if the present problems in Brazil persist it could make the problems of Russia appear mild by comparison. Auto manufacturers in Brazil – including Ford – have shut down “temporarily,” giving 35,000 workers a “furlough.” Interest rates are skyrocketing. Mass demonstrations against austerity



Public workers in Colombia rally and strike in Bogota.

are proliferating. Presently Brazil is facing a profound financial and economic crisis.

The importance of Brazil to U.S. imperialism was signalled when one leading U.S. banker described this nation as "the Rubicon" for Wall Street. U.S. banks are much more exposed in Brazil than Russia and by late March 1998 had lent Brasilia a whopping \$27.2 billion, more than to either Canada or Italy; by way of comparison, U.S. banks' exposure to Russia was \$6.8 billion.⁴⁹

GNI, the major international commodities broker, has argued that Brazil's economic future is key to the fortunes of world commodity prices generally. Not only is this South American nation – which is larger in territory than the U.S. and has a population of 155 million – the ninth largest economy in the world, it is also the biggest grower of coffee and produces substantial amounts of sugar, soybeans, cocoa, tin, aluminum, gold and tobacco.⁵⁰ A collapse in Brazil inevitably would impact U.S. imperialism severely.

Thus, despite the problems brought by the fall of the USSR, Cuba seems to be an island of stability in comparison. The Cuban economy was buoyed by the recent announcement Hoescht, the German company, will be investing \$40 million in Cuba over the next few years that will allow Cuba's principal iron and steel plant to improve the quality of the metal it produces, with an overall reduction of energy consumption and costs.⁵¹ Even Britain, the otherwise faithful tool of U.S. imperialism, has broken ranks. A British-Cuban joint venture in insurance has begun in Havana, involving Britain's Heath Group and the Cuban insurance company Esicuba.⁵² Looking enviously as EU competitors gobble up contracts, U.S. enterprises have begun to improve relations with Havana. In March 1998 the U.S.-Cuba Business Summit in Havana was attended by about 65 U.S. companies, including Texaco, Mobil, Caterpillar, etc. This meeting was followed by a September 1998 confab that featured the participation of 75 U.S. companies, along with the National Foreign Trade Council and the Medical Device Manufacturers' Association – both of the U.S.

Thus, despite spending trillions in order to emerge as the "sole remaining superpower," U.S. imperialism finds that it is besieged on all sides by socialist and non-socialist rivals alike, while in the U.S. itself, a newly energetic labor movement is increasingly challenging capital. Moreover, "free market" ideology, which played a major role in facilitating the invasion of U.S. finance capital to markets

abroad is now on the defensive in light of serious difficulties in Asia, Russia, Brazil and elsewhere. Cuba's example, above all, demonstrates that it is possible to stand up to U.S. imperialism; inevitably others worldwide will follow Havana's example. Hence, the crisis of U.S. imperialism has escalated. □

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Sowing Fascist Seeds

Antonio Bernal

Fascism is not an ordinary succession of power, but a substitution of ruling-class democracy by open terrorist dictatorship. This means that there are contradictions in the ruling-class camp itself which make fascism vulnerable. Nevertheless, the ruling class in an effort to preserve itself, is often willing to sacrifice its democratic institutions by reversing the gains made by workers, women and minority groups, curtailing Constitutional rights and intensifying the repression against dissent.

Fascism comes to power as a result of a struggle between the old ruling-class parties, and in the course of struggles among the fascists themselves. Ruling-class parties pass through a series of stages, institute a series of reactionary measures, which facilitate the fascist's rise to power. Those who do not fight reactionary ruling-class measures at these preparatory stages are facilitating the victory of fascism. The parties who gloss over and conceal the true nature of fascism are making it impossible for the population to resist its onslaught.

Fascism is able to attract the population because it promises to solve their most urgent needs and demands. It inflames prejudices and resentments that are ingrained in the population, as well as masking itself as a purveyor of social justice and morality. Acting in the interests of international capital, (neoliberalism), it pretends to appeal to national sentiments (scapegoating of immigrants and racism). Aiming at further exploitation of the workers, it appeals to them with artful "worker's rights" demagoguery, advancing slogans that are alluring to the politically immature population. Fascism is the most corrupt of governments, but it sets itself out as fighting for "an honest and incorruptible government," taking advantage of the disillusionment of the population with a government that they have formerly believed in, impressing the workers with the severity of their attack. While on one hand pretending to be the saviors of the nation, fascists at the same time attack the progressive movement. Fascism is a ferocious attack by capital on the workers.

Fascism is unbridled national chauvinism and glorification of war. Fascism is reactionary and counter-progressive.

One of the reasons fascism came to power in the past was because weak leaders allowed the population to be split politically and disarmed organizationally. Opposition parties are not strong enough to rouse the population and lead them in a decisive struggle against it. Weak leadership surrenders one position of the working class after another without resistance. This allows the ruling class to strengthen its power, annul the Constitution (to attack the population's rights in the guise of Constitutional reform), purge progressive functionaries such as teachers, lawyers and politicians, and attack the unions. It allows fascist elements to gain entry into schools and factories without resistance. Where there is weak leadership, those who heroically stand up to fascism are left isolated.

Fascism can be prevented by a united anti-fascist worker's front. This means that people have to be creative and unite with traditional groups, ranging from political parties to classes, with whom they have been unfriendly or indifferent to, but with whom they have a common interest. For example, we must resist the demonizing of our youth and prison inmates, the majority of whom are non-violent victims of unemployment. The united front must learn to be genuinely sympathetic to the wounded sentiments of national groups; Blacks with the legacy of slavery, Native Americans with the dispossession of their lands, Mexicans with colonization, Asians with prejudice and internment. For example, the teacher's union in Los Angeles fought tooth and nail against Proposition 226, which would have weakened the union (it failed) but scarcely mentioned Proposition 227 which abolished bilingual education (it passed even though this measure negatively impacted large portions of the school population). It is this revealing lack of interest in one's personal life needs that weakens the united-front movement. Sterile hair splitting and a sectarian attitude will lead only to chaos. Only a genuine mass struggle can guarantee the failure of the fascist agenda.

Antonio Bernal is a contributor to *PA*.

Fascism finds fertile soil when people think that "it can't happen here." Fascists are very happy to be underrated, since this leaves the field open for them to operate in. Progressives who trail at the rear of events, rather than vigilantly anticipating them, are doomed to be engulfed by the fascist monster when it is too late to do anything to prevent it.

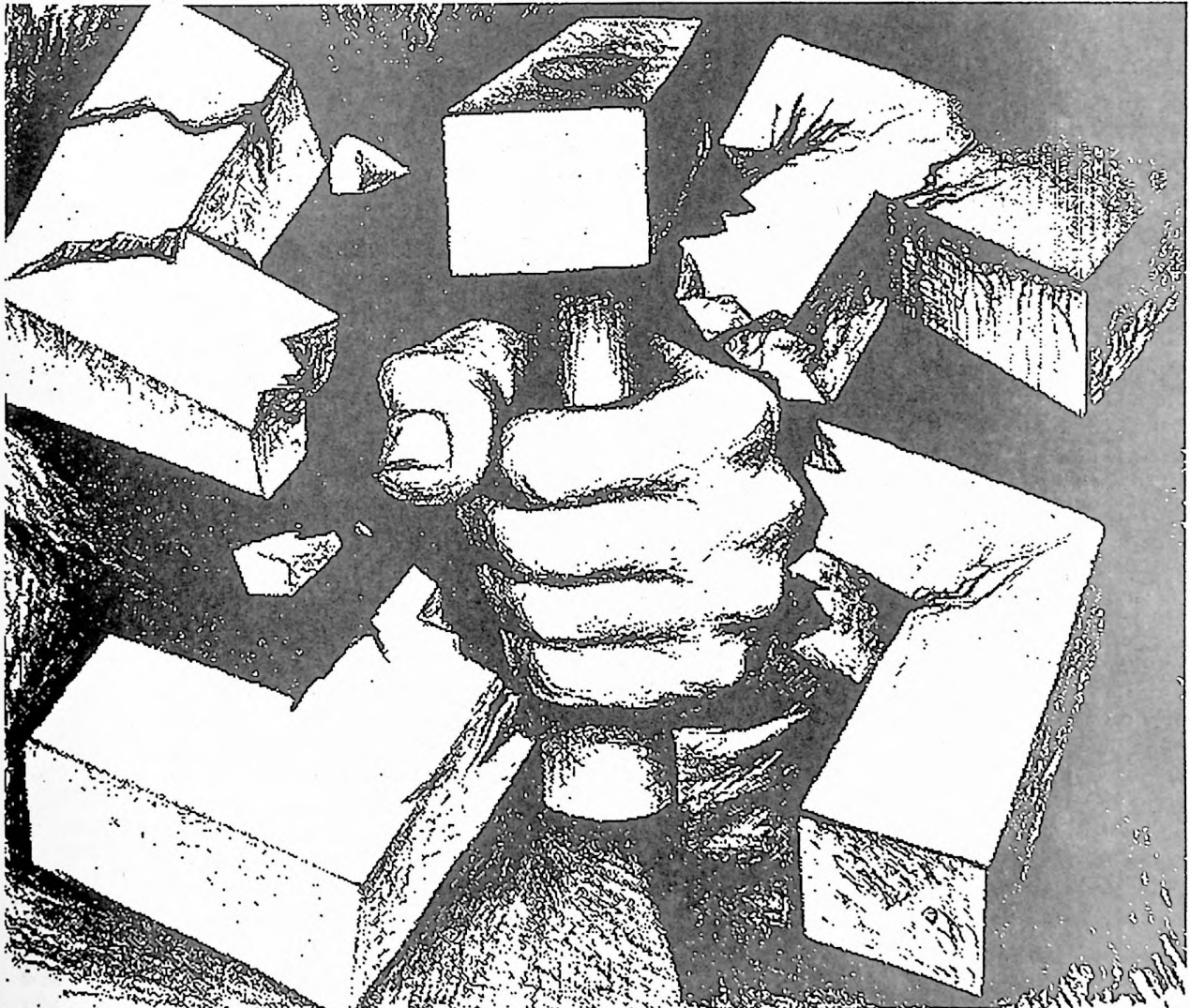
To fight fascism:

- The workers have to become militantly anti-fascist;
- There must be a strong organized party able to correctly lead them in the struggle against fascism;
- We must unite with all others whose broad interests we share, taking others as they are and not as we would like them to be. We must be patient

with wrong ideas and help people to move in the struggle without giving up on them;

- We must not allow ourselves to be caught unawares. Years of planning to "get Clinton" bore fruit because too many people in Washington complacently believed that nothing would happen to them, and thought that making some concessions to the reactionaries would keep them safe. We must not surrender the initiative to the fascists nor allow them to consolidate their positions;

- We must resist the class-collaborationist policies of certain "left" groups who do not focus on the real problem: the failure and disintegration of monopoly capital. □



Socialism and the Environment

Raphael Comprone

Since the beginning of human civilization and seven before, homo sapiens has sought to live in harmony with the natural environment in order to survive. Without the correct knowledge about the natural environment, human beings could not adapt to their surroundings. At the very beginning of human history people hunted animals in nomadic groups and prayed for rain and abundant animals to kill. If they did not find many animals to kill in order to sustain themselves, they often interpreted their misfortune as punishment from a powerful God above and sacrificed human beings and animals in order to placate the mysterious forces of nature.

The first civilizations grew out of the desire to satisfy the gods of nature and the rulers and priests of kingdoms were worshiped by the masses because of their special connection to the gods who allegedly controlled human fate. The ancient civilizations of the Aztecs and the Mayans, the Egyptian civilization with its enormous and majestic pyramids come to mind. After these civilizations, new ones arose that praised the omnipotence of human beings over the forces of nature. Buddhism, Hinduism and Taoism arose in Asia around 2,500 years ago, along with the later religions of Judaism, Christianity, and Islam. All of these religions worshiped human reason and the powers of the human being. It was as though human civilization had made a tremendous leap and from the feeling that nature was omnipotent and a terrible force that human beings could not reckon with. The works of Plato, Socrates, Aristotle, and then, even centuries later, the works of Marx, Nietzsche, and those of Einstein and Galileo revealed to human beings the remarkable powers of human understanding and imagination. By the 20th century, human beings had learned to develop incredible amounts of technology, and all of the cultures of the world rushed to develop and modernize. Information has spread across the whole planet. Entire cultures and civilizations have been modernized, and the world is now "a global village," as

many thinkers and writers claim, in the age of international business and politics. There is no turning back to a mythical age when human beings were not surrounded by the demand to produce technology or to an age when factories and office buildings were non-existent. We are inevitably modern, for better or worse. And many would have us believe, like many ideologists in modern society that it is okay to pollute the earth and live surrounded by technology while all of the world's resources are being depleted.

Sounds rather farfetched, doesn't it? That is because I believe that most socialists nowadays are also environmentalists. This may be surprising because some people think of socialism along with industrial development and the destruction of the earth that is now occurring.

That is a common cliché among capitalists who believe that socialism is destined to be just as horrible as capitalism towards the environment. After all, they argue the socialists in Russia and China have created weapons of mass destruction in anticipation of a nuclear war of untold proportions that will destroy the earth for future generations. The Communist parties have indulged in the same type of propaganda about the benefits of industrial society, they claim.

First, we must admit that socialism as Marx originally conceived it arose out of certain conditions a century ago. There have been many other historical examples of societies that come close to the socialistic perception of the universe. The Confucian ethic in Asian cultures is very socialistic in nature and emphasizes contributing to society and the elimination of selfishness. Plato's *Republic* certainly emphasizes justice and harmony even though Plato limited philosophy to the divine right of kings. If Marx lived in our contemporary age, because of his compassion and humanism, he would understand that we would have to confront the environmental problem because the environmental problem is a human problem, just like the conflict between classes. The idea that socialists cannot care about the environment and that environmentalists cannot care about socialist ideas is a product of the divide and

Raphael Comprone is a contributor to PA.

conquer strategy of a bloodthirsty bourgeois world system that wishes to defeat the working class.

As human beings, we are part of the environment. We do not deserve to be on this planet any more than any other species. We need fresh air in order to live in a socialist society, and we need fresh air to live in a capitalist society. There is a difference however. In our capitalist society, it is in the interests of major multinational corporations to rape and plunder the earth and to rape and plunder the working class. Human beings are part of the environment. They should not be exploited. Children should not be working in factories against their will, and there should not be growing gap in a world whose political leaders and corporate leaders are promoting inequality and unfairness. The earth is like a living organism. In order for human societies to flourish, life on earth must flourish. Capitalists cannot understand this because they think that short term answers to the current environmental crisis will solve our problems. We must let the workers decide what is right for them democratically if we want to create a better and healthier world. We need to educate the entire world and stop polluting the earth. This will be much more likely when the profit motive is eliminated. When we look at human history objectively, the invasion of the Americas and the genocide of the Native Americans were products of capitalist acquisitiveness. Imperialism in Africa and Asia were also the products of capitalism.

To be sure, socialist countries as well has been guilty of pollution.

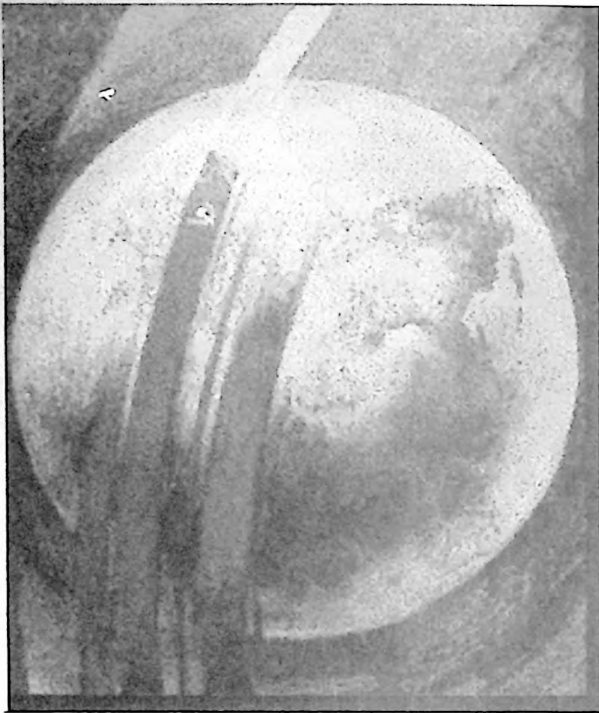
Instead of having responsible and sensitive leaders rule the world, and instead of allowing people to educate themselves about the natural environment, we have created the seeds of our own destruction by encouraging ignorance around the world.

We cannot pretend that the destruction of the environment is not real if we are socialists. As socialists, we are interested in preserving human life and making our planet a better place in which to live. Right now, it is the only place we have. As socialists, we naturally want other animals and even forests and land to remain pure and beautiful. We

depend on the natural world to survive and we depend on each other to survive. The balance between human beings and nature is very fragile. Science always gives us further information on how fragile it is. For this reason, we must use our human intelligence and lifetimes wisely in order to eliminate the class contradictions that prevent our society from evolving. We should not overexploit the earth and we should educate ourselves about how to live in harmony with nature. We should also learn not to exploit each other. We should help everyone from all different ethnic backgrounds by caring for each member of our society as if they were part of our own family. We need to put an end to the destruction of the environment and the exploitation of human beings by human beings. Both are interrelated. Environmentalists and socialists must join hands to save the earth and all of the people on it as well as other living species. We must and can work together to put an end to the ignorance that is destroying the earth and create a harmonious society for the future. In order to put an end to this incredible waste and pollution of the planet, we will have to live more frugally and more wisely and turn from a society of capitalist consumption to socialism mixed with environmentalism. Are you ready to save the earth and the people on it, to devote yourself to all that lives? There is no turning back to an Edenic world where the environment is in a pristine, beautiful condition. We must clean up the enormous mess and prevent economic exploitation and environmental destruction for future generations. We must do this as soon as possible so the billions of people who live after this generation will not be in untold misery. We can come together collectively and create a new world order that is not based on domination and conquest but on equality and harmony between human beings and human beings and the natural world. This new stage of existence in which human beings do not arrogantly seek to dominate the earth and other human beings will be based on an ideal of harmony, tolerance, and adaptation to the natural world. □

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CAPITALISM'S GLOBAL CRISIS

The bourgeoisie and their spokespersons have been grappling with the current global crisis that began in the financial markets and have come to some rather unremarkable conclusions: that a) the excessive deregulation of financial markets that has been championed by the International Monetary Fund (IMF) in particular is the source of much of the volatility in the markets; b) the huge disparities between developed and developing countries is distorting the global market; c) privatization has not brought the growth, efficiency and cost effectiveness it was supposed to, and d) most amusingly, the current collapse is not a good thing! Of course these "experts" are less vocal about the fact that not so long ago they and the bourgeois economists of the neo-liberal persuasion were arguing that globalization was a suc-

cess. They were also convinced that the less the market is interfered with the better it would perform and ensure growth and development the world over. The reality is the exact opposite of course. Not only has the global bubble burst, but in the decades since the ascendance of the prescriptions of neo-liberalism the living standards of the majority of the world's population has declined considerably. The gap between rich and poor, high-and-low paid, employed and unemployed is wider than ever before. Governments the world over are beginning to debate the merits of interventions in their domestic economies, as well as internationally, to stave off a repeat of the Great Depression of 1929. The extent of this crisis and its contagious nature is due to a combination of the overproduction of capital and commodities and extensive financial deregulation that has left many developing countries highly exposed to speculative foreign exchange movements. The neo-liberal dogma told governments to stop borrowing while individuals and private financial institutions were encouraged to do so. The current crisis only serves to underline our 10th Congress pro-

gram and resolutions that privatization, deregulation and unregulated market forces are no solution to the problems facing humanity, particularly the poor.

The measures being proposed by many of the world's leaders are hardly up to the task of dealing with the magnitude or nature of the problem that confronts us as humanity. There are those who are insane enough to be proposing more and bigger doses of the same medicine that has brought on this very crisis, such as greater deregulation, for instance. In our own country such forces are calling for "more GEAR" or "GEAR II". But such calls for interventions to provide some interim relief, or for a "post-Washington consensus" in order to stave off the imminent disaster, are all made in the name of saving the capitalist system. The futility of this approach is obvious. All attempts, global or otherwise, to prop up the ailing capitalist system, offer no future, no answers, and no relief to the millions of starving inhabitants of our planet, to the unemployed, and those with little or no health care, education, and other basic necessities.

Instead of measures that amount to little more than tinkering, real steps need to be taken to spearhead the transformation of the global economy from a capitalist one to a socialist one. There is a clear need to link calls for the transformation of international political organizations such as the United Nations (UN), which have been made by the president of our country, to the transformation of other institutions such as the IMF and World Bank. The setting up of a World Finance Organization should not be a repeat of the relationships in the World

Trade Organization (WTO), where developing countries are told to reduce tariffs while the wealthier countries still protect their economies.

The central issue for the world economy is to ensure that the basic needs of all people are met first and that opportunities and services are extended to all. This cannot be achieved without greater planning and coordination and through the ending of the system of private ownership of the means of production. Such measures need to be led by encouraging collective development efforts, such as labor intensive mass infrastructure and housing schemes and on the creation of cooperative economic opportunities where the maximum may participate and enjoy the rewards of work. The regulation of the financial markets, internationally if possible but nationally if nothing else, should be a priority, along with government intervention in the key sectors of the economy that deliver public goods, such as transport.

This does not mean that there is no role for the private sector in the current period. Public-private partnerships, with an emphasis on the relationship between the public (the people) and government, that ensure the interests of the people and not business are put first are key to launching the growth necessary for sustainable development. But this must be in a context where the market is problematized and transformed to being a place where real rational decisions are taken on behalf of the majority. Of crucial concern must also be the rapid upliftment of the skills base of the economy through a comprehensive human resource develop-

ment program. Socialism is the only answer to the current world economic crisis and as South Africans we must play a leading role in developing and implementing the policies that will bring about the much needed qualitative change in the conditions of the vast majority of the world's people.

Cynics may scoff and say, "What is the Party's vision of socialism?" or that the SACP does not have a coherent idea of what to do to transform the economy. Our reply is simple. The bulk of the wealth of the country must be in the hands of the people. Economically, socialism is the democratic ownership and control of the economy and involves more planning and regulation by the government in consultation with the people. Politically, socialism will involve greater democratic governance, where the masses of our people are given the right to participate in the planning and implementation of policies that lead to a more just and humane society with no extremes of wealth and poverty. If that is not clear enough, then we can only say to our detractors that the ideological blinkers they wear do not allow them to see the logic and wisdom inherent in such a simple approach. No amount of protestation about the lack of alternatives to the current neo-liberal world disorder will fool the masses.

It is the sound of the hungry stomachs of these very masses that calls for humane and rational alternatives to capitalism. This is one more reason to build a strong SACP. That is why we say socialism is the future, build it now! (Reprinted from *Umsebenzi*). □

Blade Nzimande
General Secretary SACP

SHIFT TO THE LEFT IN EUROPE

The rejection across Europe in recent years of political parties of the right that had been dominant since the end of the Cold War has brought to power social democratic or labor parties or coalitions of parties termed "left of center." Referred to in general as a "turn to the left," it has now reached its furthest development with the electoral victory on September 27 of the Social Democratic Party in Germany, ending the 16-year right-wing rule of the Christian Democrats under Chancellor Kohl.

To people who have benefited from or been dependent upon the welfare state, to pensioners, to the enormous number of unemployed, to trade unionists, to ethnic minorities and others, all of whom have suffered from the public spending cuts, the privatization of the public sector, the restricting of democratic rights, and the shifting of ever more wealth to the already rich that have been right-wing policies, the change of government at the outset has been encouraging and hopeful.

However, any expectation of a leftward swing that would reverse the social damage inflicted by the right-wing predecessor regime is not being realized in any of the European countries. All these countries belong to the European Union, and had been committed to its single market, single currency and political integration program, and the social democratic parties are also committed to carrying it out. To achieve the "convergence" target, especially for the introduction of the single European currency (the Euro) due to occur at the beginning of 1999, the holding down of

inflation, budget deficits, public welfare spending and wages, is demanded.

As a result, discontent and social unrest have continued in all of the countries where a "left turn" took place. In Britain the change over from Tory to Labor Party rule could hardly be called a leftward shift. Prime Minister Tony Blair has conducted a ruthless drive to purge the Labor Party of any social democratic tinge and of its once-strong left wing. His "New" Labor Party (i.e., non-laborite) is aimed at a middle class base and "partnership" with big business. In many respects, Blair (admittedly an admirer of Margaret Thatcher) has preserved rather than reversed Tory policies.

Blair has been advocating a nebulous concept he calls the "Third Way" which no one, including Blair himself, has ever been able to define clearly. It is another semantic gimmick, like "New Labor," designed to disguise a class collaboration line. An attempt has been made to have the Blairite "Third Way" adopted by the European social-democratic left in general. During the recent German election campaign the British press sought to portray Gerhard Schroeder as the "German Blair." It fizzled out.

The fact is there is no uniformity of the left in Europe. Both the French Socialist Party of Premier Lionel Jospin and the German Social Democratic Party of Chancellor-elect Gerhard Schroeder have to deal with other left parties and social forces that compel them to preserve a leftist image. It would be fatal for either to embrace Blairism publicly.

There is, however, a unifor-

mity of the role of these parties now in power in Europe. They are all committed to the economically converging, politically centralizing European Union program laid down in the Maastricht Treaty, focused at present on the adoption of a single currency. One of the principal reasons for the ouster of right-wing governments was their slashing of public spending for social welfare, their wage restraints and anti-trade-union steps to conform to Maastricht demands. The social democratic and labor parties are expected to ease this down workers throats.

It should be remembered that all of these left parties have been in power before, during the Cold War years, and conducted it side by side with the U.S. Today, besides the development of the European Union, all are supporters of NATO, of its expansion to the east, and of intervention in the Balkans and elsewhere.

In commenting on the present crisis of the globalized free market and the proposals to concede national economic controls, the *London Times* analyst, Anatol Kaletsky, wrote:

That capitalism requires some management may seem obvious, but the political implications of explicitly recognizing this could be vast. To take one example, the common political wisdom of the 1980s was that right-wing parties had a natural advantage in winning elections because voters believed that free-market parties were the ones that could make a market economy work. But if it is recognized that the capitalist economy depends on political management, then market funda-

mentalist parties will be treated with suspicion and parties of the left might be seen as better guardians of stability and prosperity in a mixed economy.

To see only this aspect of the European turn to the left would, however, be incorrect. There has indeed been a genuinely leftward trend in the recent period, in the resurgence and growing electoral strength of the Communist and reorganized Communist parties, which are a left pressure on the social democratic governments.

In France the parliamentary and extra-parliamentary strength of the Communist Party has compelled the Jospin government to refrain from public spending cuts and to retreat from Maastricht-dictated moves for wage cuts and privatization.

In Italy the Refoundation Communists, with 34 members of parliament, brought the collapse of the left-of-center coalition government of Romano Prodi, to which it had given balance of power parliamentary support, by withdrawing that support over a Prodi budget that would cut social welfare spending to conform to the EU's single currency.

One of the most significant developments for the left occurred in Sweden where the Left Party (formerly Communist) doubled its vote in the September 20 election to nearly 13 percent, placing it in a major balance of power position. The Social Democratic Party, which had been ruling with a minority government and had antagonized many people through successive severe public spending cuts after joining the European Union, had its vot-

ing support reduced from 45.3 percent to 36.6 percent. To retain power the SPD was compelled to agree to a pact with the Left Party for its support, including acceptance of Left demands for joining of NATO, for a referendum on the unpopular single currency, and for a revitalizing of the welfare state.

In Germany the Social Democratic Party and Gerhard Schroeder are given credit for a turn to the left, but they are only part of the picture. The SPD, with but 41 percent of the vote, failed to win a governing majority and had to turn to the further left radical Greens, who are to the left of the SPD on a number of issues, for a coalition. Most significant, however, was the success of the Party of Democratic Socialism (the former party of the Communists in the GDR) in breaking through the 5 percent voting requirement to attain status as a parliamentary party. With 5.1 percent and with 35 seats in parliament, the PDS for the first time won support in West Germany and is poised for further gains and for a major left influence on the new government.

These Communist advances, which have their reflection elsewhere in European Union countries, are the real indicators of the mood for a leftward shift. □

William Pomeroy

MIDDLE EAST

The Communist and Workers' Parties in the Arab countries (from Jordan, Iraq, Syria, Egypt, Lebanon and Bahrain) met to discuss the dangerous situation that emerged from the Turkish threats to Syria. The following Declaration was agreed to on October 7, 1998:

Our Parties followed and are still following with great astonishment and condemnation the last declarations of Turkish military and civil officers and their threats to carry on wide military operations against the Syrian Arab republic using superfluous pretexts. It is quite obvious that the Turkish Authorities by these positions are trying to escape from the aggravated internal political and economic problems they are confronting, and from their regional and international isolation due to their expansionist policies and practices. These positions are in the main, a natural "fruit" of the Turkish security and military alliance with the aggressive Israeli state. This completely contradicts the interests of the friendly Turkish people which is related to the historically old and close relations with the Arab peoples.

This new and dangerous escalation comes in the form of the American-Israeli policy of trying to encircle Syria and to put pressure on Syria, trying to shake its firm policy based on clear principles of confronting Israeli occupation.

These American-Israeli policies aim to divert the continued and sincere Syrian task to realize a just and comprehensive peace in the region based on the application of the principle of land for peace and on the United Nations Resolution on the illegal forced occupation of others lands, implying as well the recovery of occupied Arab lands seized during the Israeli aggression in 1967 and insuring the rights of the Palestinian Arab people.

This new escalation is, as well, a continuation and a crude reinforcement of the attitude of

the Turkish authorities aimed at forcing Syria to drop its legitimate demand in relation to the Euphrates River waters. This comes after the last refusal of Turkey to participate in tripartite negotiations to solve water problems.

Our Parties strongly condemn these Turkish threats and express our complete solidarity with Syria and its firm and peaceful positions. Syria seeks to solve these and related problems through dialogue and peaceful negotiations, in the interest of both neighboring peoples.

At the same time we call on all Arab governments to take clear, effective and urgent positions in face of the aggressive Turkish aggravation of tension, to block it and abort its aims.

We call on all Arab peoples to express their condemnation of Turkey to support Syria in face of these threats and condemn this Turkish aggressive attitude aimed at the interests of all Arab nations.

We call on European countries to play a role in stopping this escalation which is putting the whole region in a situation with unpredictable consequences.

We address and call on, as well, all progressive and democratic parties and movements and all peace forces in the world to condemn the Turkish threats, to take solidarity positions with Syria which confronts these threats and to back its task of using peaceful means as the sole tool to solve problems between the two countries. □

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