

# COMMUNIST LINE

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## THE GENERAL CRISIS OF CAPITALISM AND PROLETARIAN REVOLUTION

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### 1. Proletarian Revolution and Imperialist Crises

*Everywhere in the world today there is a widening gap between the class interests of the two Superpowers and the people of the second and third world; and between the ruling bourgeoisie of every capitalist and revisionist country and the working and exploited masses.*

The peoples of Asia, Africa and Latin America, together with the people of Europe, are taking up the struggle against superpower hegemonism, defeating imperialism, colonialism and neo-colonialism, and forging a new world order.

The workers of the capitalist and revisionist countries are taking the field against the bourgeoisie, extending the class struggle. In the early months of this year millions of workers in Italy have gone on strike in various branches of industry; transport workers in Paris, postal workers across Canada, railroad workers in Japan, engineering workers in Germany, Bolivian workers, British and American students have all launched intense class struggles. In Spain, India and other countries, the exploited masses are launching powerful demonstrations against fascist rule.

The character of the sharpening class struggle is marked by the lack of any more illusions about so-called "consumer society"; by the growing influence of the working class over other strata of society; by the uninterrupted nature of the struggle; by the growing revolutionary maturity of the struggle expressed in the nature of the slogans and the deep militancy; by the interlacing of economic and political demands; and by the regular isolation and exposure of the labor aristocrats and trade union bureaucrats.

At the same time, not since the end of World War II has the world of capitalism been so shaken by economic crisis as since the end of 1973. Try as they may, all efforts to overcome the drastic decline in production

intertwining with skyrocketing prices have failed in the U.S., USSR, Japan, France and virtually every capitalist and revisionist country. The situation is so bleak that the retiring head of Switzerland's biggest commercial bank was driven to comment upon the severe instability of the European situation, "What we are seeing is the end of capitalism in Europe". (BUSINESSWEEK, March 29, 1976, p.87).

#### GROWING GENERAL CRISIS

The deep rooted economic crisis faced by the capitalist world, its duration and depth, is however, simply one aspect of a broader, all-round crisis of capitalism. As Comrade Enver Hoxha of the Albanian Party of Labor put it,

*"This is a general economic, political, ideological and military crisis of all capitalist states, their structures and their super-structures, it is a crisis of their regimes and alliances. And this great crisis has just begun, the catastrophe will come later".* (ALBANIA TODAY, Nov.-Dec., 1974).

Just a superficial look at the recent situation indicates that it is completely incorrect to view the crisis as simply a matter of inflation, recession or unemployment--which is to deny the all-embracing, complete nature of imperialism's decadent, moribund, decaying nature. Economically, the facts speak for themselves. All twenty four major capitalist countries, not counting the USSR, are projected to have a declining GNP for the second year in a row. Politically, Watergate in the U.S. and the rise of the modern revisionists to the brink of state power in Italy and elsewhere, indicates the deepening struggle for power. The stench of corruption reeks from every bourgeois

government. Ideologically, the mere admission of the capitalist fate, the intensified ideological campaign to defend capitalism, the spread of decadence, degeneracy and corruption everywhere, all speak to the disintegration of bourgeois interest. Militarily, U.S. imperialism has suffered setback after setback since World War II, along with its allies. The strength of the U.S. or USSR is surface deep. At the same time, the alliances and regimes established by the U.S. after World War II as well as those established by the USSR are in shambles. Western Europe strives toward independence and many of the revisionist parties of Europe feign protest of the heavy hand of Soviet domination. The second and third world countries are building strong ties.

In this context, worldwide, we see that the Superpowers are most definitely preparing themselves for the inevitable, imperialist war. While it is the third world which is the focus of world contradictions it is Europe which is the focus of superpower contention.

#### EUROPE-FOCUS OF SUPERPOWER CONTENTION

With the growing successes of the national-liberation movements and the shrinking of the world capitalist market, the competition between imperialist countries has not only continued in Asia, Africa and Latin America but has also manifested itself in Western Europe. In analyzing these developments the Chinese comrades have observed that, "never in history has the tussle among the imperialist countries been so extensive in peace time, reaching every corner of Western Europe, and never before has it taken the form of a fierce scramble for industrially developed areas like Western Europe." (WHENCE THE DIFFERENCES, FLP, p.198).

Europe is the world's most important economic area after the two Superpowers.



The concentration of capital, productive capability, labor power and markets is such that Europe is viewed by both the U.S. and the USSR as a juicy plum ripe for the picking.

Proof of the importance of Europe to both Superpowers is the *build up of military forces* there. The USSR has 3/5 of its ground forces, 3/4 of its long-range air-force, 1/2 of its tactical air-force, and 3/4 of its medium-range missiles oriented toward Western Europe. In addition, 75% of the major ships of the Soviet Navy as well as 1/2 of its attack and missile submarines are deployed in the waters around Europe. In the Mediterranean, the southern flank of Europe, the number of Soviet ships in 1974 was five times that of 1967.

The U.S., likewise, continues to expand its military presence in Europe and to bolster the strength of NATO forces. The basis for the constant U.S. concern for Europe is revealed by the fact that the total sales for majority owned U.S. affiliates in Western Europe for 1972 was \$97 billion! Between 1970 and 1973, U.S. investment in Europe rose by 53%, with a similar rise for the USSR. (See "U.S. Investment: Its Role in Europe", EUROPEAN TRENDS, Economist Intelligence Unit, No. 42, March, 1975, pg. 18-19. Economic Review of the USSR, Annual Supplement 1975, EIU, p.15).

The control of Europe is of decisive importance to both imperialist powers as they compete for world domination. For the new Kremlin tsars, whose frenzied ambitions for world empire have placed a severe strain on Soviet workers and the economy in general, the acquisition of the additional industrial strength which Europe offers, is of especially important significance, if they are to swing the balance of power in the capitalist world against the U.S. imperialists. Europe would provide an economic base of sufficient strength to allow them to further extend their offensive against the countries of Asia, Africa and Latin America.

Ocean, with the USSR the more aggressive of the two.

With the victory of the national-liberation movements in Southeast Asia, the social-imperialists have moved quickly to fill the shoes of U.S. imperialism and have since become the major threat to that area of the world. Proceeding under the guise of pursuing its "Asian Collective Security System", the Soviet revisionists are attempting to turn Southeast Asia into a base of support for its contention with U.S. imperialism.

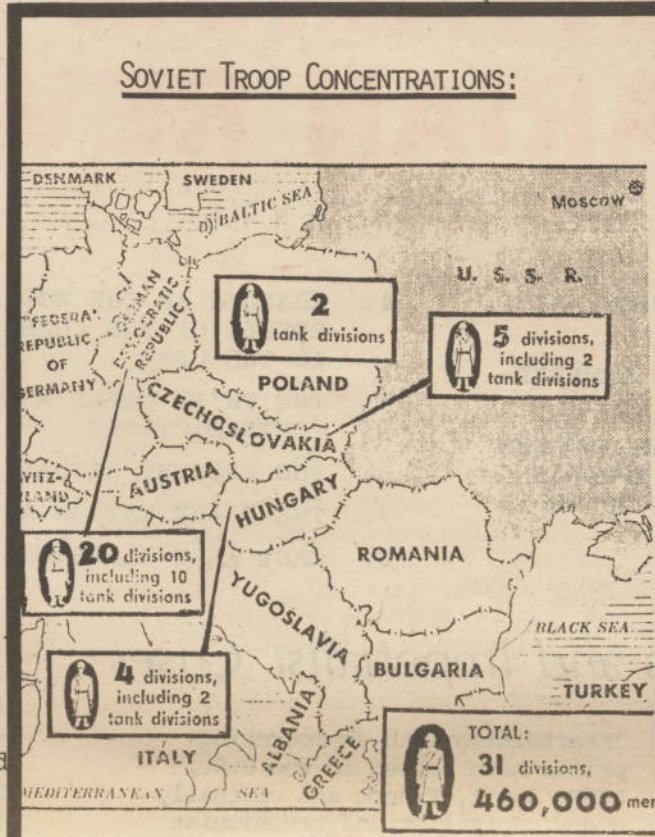
With the use of puppet Cuban mercenary troops, the social-imperialists have extended their hegemonistic interference to AFRICA. Blatantly pursuing its imperialist interests in Angola, the USSR is attempting

and USSR must contend with each other for spheres of influence and the re-partitioning of the world. History has twice proven Lenin's thesis that the inevitable outcome of such contention is imperialist war. The development of imperialist contention in the period since the last World War, however, has been characterized by specific features which distinguish it from earlier periods. The decline of U.S. imperialism, the degeneration of the USSR, and the rise of superpower contention have taken place within the framework of unprecedented revolutionary advances by the world's peoples.

REVOLUTION IS THE MAIN TREND

Revolution continues to be the main trend in the world. The struggle of the world's peoples, of which the national-liberation movements of the third world have been primary, have shaken the foundation of the entire world capitalist system. The second and third world countries have begun, through every available means of struggle, the building of a new world economic order in opposition to imperialism and in favor of national-liberation, economic and political independence and proletarian revolution. With World War II, capitalism entered the second stage of its general crisis and it is the movements of the world's peoples toward liberation, independence and revolution which have determined the character of this second stage.

The past three decades, and especially the past several years, have seen an acute sharpening of the world's contradictions and crises in all spheres of the capitalist world. The present crisis is one of rapid changes in the objective conditions which daily present before communists the task of developing and adapting strategy and tactics to deal with the mounting offensive of the bourgeoisie. In the U.S., where crisis has been especially severe, the bourgeoisie is



U. S. TROOP CONCENTRATIONS:

IN EUROPE

NOW:	309,000	
CHANGE IN 1975:	UP 11,000	
	Now	Change in 1975
WEST GERMANY	220,000	UP 13,000
BRITAIN	21,000	NONE
ITALY	11,000	DOWN 1,000
SPAIN	9,000	NONE
TURKEY	7,000	NONE
GREECE	2,000	DOWN 2,000
ICELAND	3,000	NONE
BELGIUM	2,000	NONE
NETHERLANDS	2,000	NONE
PORTUGAL	1,000	NONE
OTHER COUNTRIES	1,000	NONE
SIXTH FLEET	30,000	UP 1,000

IN PACIFIC AND FAR EAST

NOW:	155,000	
CHANGE IN 1975:	DOWN 26,000	
	Now	Change in 1975
JAPAN, OKINAWA	48,000	DOWN 10,000
SOUTH KOREA	42,000	UP 2,000
THAILAND	10,000	DOWN 16,000
PHILIPPINES	14,000	DOWN 4,000
GUAM	10,000	NONE
TAIWAN	3,000	DOWN 2,000
SEVENTH FLEET	28,000	UP 4,000

IN LATIN AMERICA

NOW:	15,000	
CHANGE IN 1975:	DOWN 3,000	
	Now	Change in 1975
PANAMA CANAL ZONE	9,000	DOWN 1,000
PUERTO RICO	4,000	DOWN 1,000
GUANTANAMO	2,000	DOWN 1,000

Data for Soviets: Peking Review, No. 5, January 30, 1976, p. 12.

Data for U.S.: U.S. News & World Report, December 29, 1975, p. 21.

SUPERPOWERS SEEK HEGEMONY

Because of the importance of Europe, the Middle East, with its vast oil reserves, has repeatedly proven a hotbed of superpower rivalry with both imperialist superpowers taking advantage of every opportunity to fish in troubled waters. The Superpowers know that whoever controls the Middle East's oil controls Europe. For the USSR especially, dominance of the Mediterranean and control of the Suez Canal are essential if it is to command access to the Mediterranean through the Bosphorus, outflank U.S. imperialism in southern Europe, and make use of the Middle East as a staging area for the expansion of its hegemony into the Indian Ocean and Southeast Asia.

In the PERSIAN GULF the two Superpowers have been scrambling for control of the strategically important positions and resources in the Gulf area in preparation for a new world war. The Superpowers have increased their naval forces in both the Persian Gulf and Indian

to create its own sphere of influence in mineral rich southern Africa, and to develop a strategic base for its activities in the South Atlantic. In Somalia, social-imperialism, again with the aid of puppet Cuban troops, is seeking to entrench itself at the mouth of the Suez.

The Soviet social-imperialist's strategy in Africa is to seek to divide and rule, using both the carrot and the stick like all colonialist powers; and to gain profit from the slaughter of Black Africans by offering guns and money to undermine unity among the African people. Between 1960 and 1974, the U.S.S.R. seized some \$4,700 million worth of African food, agriculture, minerals and cotton in unequal exchanges with African states, as they sought and continue to seek to turn various African countries into cogs for their "international division of labor".

As imperialist powers, the U.S.

attacking the working class on all fronts in order to (1) shift the burden of the crisis off their own backs and (2) prepare for the inevitable war with the Soviet Union. Such conditions demand strongly that communists in the U.S. develop a scientific understanding of the present crisis and its relationship to the General Crisis of capitalism; and the dialectical relationship between its various spheres, and the strategy and tactics necessary to prepare and lead the working class in proletarian revolution.

It is the purpose of this issue of COMMUNIST LINE to begin this analysis.



## 2. Imperialism and the General Crisis

To understand the nature of the crisis we must begin from the actual world situation taken as a whole, from a concrete class analysis of the fundamental contradictions in the contemporary world viewed from the underlying historical development of this situation.

Only by understanding how the present situation is a reflection of the general law of development of world history can we develop a programmatic position, strategy and tactics for the revolutionary movement. The revolutionary struggles of the proletariat and the people in various countries go through different stages and they all have their own characteristics, but they cannot transcend the general law of development of world history. While working out the programmatic position and political line, responsibility of communists is to integrate the universal truth of Marxism-Leninism with the concrete practice of revolution.

*We start with the basic nature of the present era. We are in the era of Leninism, in the final stage of capitalism, imperialism, the eve of proletarian revolution. It is this underlying historical condition, imperialism, which gives rise to the fundamental contradictions in the contemporary world.*

"Imperialism is a specific historical stage of capitalism. Its specific character is three fold: imperialism is (1) monopoly capitalism; (2) parasitic or decaying capitalism; (3) moribund capitalism. The supplanting of free competition by monopoly is the fundamental economic feature, the quintessence of imperialism. Monopoly manifests itself in five principal forms: (1) cartels, syndicates, and trusts--the concentration of production has reached a degree which gives rise to these monopolistic associations of capitalists; (2) the monopolistic position of the big banks--three, four or five giant banks manipulate the whole economic life of America, France and Germany; (3) seizure of the sources of raw material by the trusts and the financial oligarchy (finance capital is monopoly industrial capital merged with bank capital); (4) the (economic) partition of the world by the international cartels has begun. There are already over one hundred such international cartels, which command the entire world market and divide it "amicably" among themselves--until war redivides it. The export of capital, as distinct from the export of commodities under non-monopoly capitalism, is a highly characteristic phenomenon and is closely linked with the economic and territorial-political partition of the world; (5) the territorial partition of the world (colonies) is completed." (Lenin, IMPERIALISM AND THE SPLIT IN SOCIALISM, LCW, vol.23, p.105-6).

The interconnectedness of these features on imperialism gives expression to the contradictions in the world, and are important as they develop the monopolistic, decaying and moribund character of the final stage of capitalism. Imperialism complicates and accentuates the contradictions of capitalism. In this regard the fact that the territorial partition of the world (colonies) is completed, and that the (economic) partition of the world by the international cartels has begun, are important points to understand in the final days of imperialism's rule.

Lenin pointed out that uneven economic and political development is an absolute law of capitalism. "On

the whole, capitalism is growing far more rapidly than before; but this growth is not only becoming more and more uneven in general, its unevenness also manifests itself, in particular, in the decay of the countries which are richest in capital (England)." (Lenin, IMPERIALISM, THE HIGHEST STAGE OF CAPITALISM). The monopolization of capital gives rise to the decaying nature of capitalism, its relative unevenness of growth, its parasitic nature, which fully exposed, exacerbates the basic social contradictions. The contradiction between the proletariat and the bourgeoisie became intensified, the contradiction between monopoly and non-monopoly capital emerged, the contradiction between the colonial powers and the colonies intensified and the contradiction among the capitalist countries resulting from their uneven growth became extremely sharp. This fully exposed the moribund nature of capitalism, that it would be broken through at its weakest link and that socialist revolution would triumph in one or several countries.

Capitalism had entered its General Crisis.

"The general crisis of the world capitalist system began in the period of the First World War, particularly due to the falling away of the Soviet Union from the capitalist system. That was the first stage in the general crisis. A second stage in the general crisis developed in the period of the Second World War, especially after the European and Asian people's democracies fell away from the capitalist system. The first crisis, in the period of the First World War, and the second crisis, in the period of the Second World War, must not be regarded as separate, unconnected and independent crises, but as stages in the development of the general crisis of the world capitalist system.

Is the general crisis of capitalism only a political, or only an economic crisis? Neither the one or the other. It is a general, i.e., all-round crisis of the world capitalist system, embracing both the economic and political spheres. And it is clear that at the bottom of it lies the everlasting decay of the world capitalist economic system, on the one hand, and the growing economic might of the countries which have fallen away from capitalism--the USSR, China, and the other people's democracies--on the other. (Stalin, ECONOMIC PROBLEMS OF SOCIALISM IN THE USSR, Reply to Notkin).

Only imperialist war can act, in the era of imperialism, as the forced but temporary resolution of the crisis of capitalism, without the genuine transcendence of the capitalist system as a whole. With each of these temporary resolutions the contradictions are further deepened and aggravated.

### THE TRADE CYCLE

*There has always been the forced or temporary resolution of crisis in the capitalist mode of production, but with imperialism, it can only take the form of war. The social nature of production and the private nature of appropriation is the basic contradiction of capitalism.*

During the competitive stage of capitalism, periodic crises repeatedly occurred. The period from the beginning of one crisis to the beginning of the next is called the TRADE CYCLE. It consists of four

phases: *Crisis, depression, recovery, and boom*, then back to crisis again. The crisis is the basic, first and decisive phase of the cycle. It is in the course of development of the contradictions deepened by the previous crisis that the whole trade cycle following gets its character.

Crises of the trade cycle are first noticed in the market; stocks of unsold goods grow. It affects consumer durables (houses, cars, etc.) first, and presently affects basic necessities also. Gradually the commodity stocks grow to such a point that production must be cut.

The crisis in consumer credit, which is expressed in the bankruptcy of retail and wholesale and related services (GRANTS, REA, etc.), is the signal for the curtailment of production. The shortage of money raises interest rates and causes a drop in the stock market. This sparks a wave of bankruptcies as dividends go down. The curve of capitalist production falls to its lowest point, where it stagnates. This phase is known as DEPRESSION.

The decline in production and the drop in commodity prices during the crisis phase temporarily eliminates the disproportion between production and consumption. As commodity stocks diminish, due to lower prices, profit drops. The drive for maximum profits pushes the capitalist to cut production costs by raising the rate of exploitation of labor power and by using more efficient machinery and production methods. The replacement of older equipment, which may still be good, increases the renewal of constant capital, the means of production. The depression phase gives way to RECOVERY.

The demand for new supplies of the machinery, tools, etc. (constant capital) increases employment in the industries which produce the means of production. These workers' income becomes the basis for a new demand on industries producing the means of consumption. As both spheres of production gain momentum, production booms. This BOOM phase creates the conditions for a new crisis.

Despite the growth of production the position of the working people does not substantially change. The value of labor power continues to be the limit of the working class's consumption. A new crisis of over-production emerges due to the contradiction between the increased productive capabilities of the economy and the relatively decreased capacity of the working class to consume.

### GENERAL CRISIS OF CAPITALISM

Crises are the forced, but temporary, resolution to the main contradictions of capitalism. They are the connecting points of these contradictions. However, in the imperialist stage there arises the GENERAL CRISIS OF CAPITALISM, brought about through the first forced resolution to the contradictions of imperialism, the First World War. The World War sharpened the contradictions of capitalism, now in its final stage. With the victory of the Great October Bolshevik Revolution, the world economy was split. The emergence of the Soviet Union removed one-sixth of the globe from the area of capitalist influence.

Along with this great success for the oppressed peoples of the world, the imperialist camp began to rapidly lose ground in the colonies. While the political-territorial division of the world is complete, as Lenin pointed out, the economic partition of the world had only begun. This

distinction in Lenin's analysis offers, we believe, the key to understanding the overall character of the development of U.S. imperialism and the current crisis.

Whereas, on the one hand, Lenin showed that imperialism was dying capitalism, on the other hand he pointed out as mentioned earlier, that "On the whole, capitalism is growing far more rapidly than before..." It is because, while the territorial division of the world was complete, the economic penetration of the world by the cartels and trusts only "has begun." It is this seeming contradiction which determined the development of imperialism in the first stage of the General Crisis, between the First World War and the Second World War.

Each of these wars was the forced resolution to the impending contradictions, the immediate crisis of capitalism. As each did not change in any way the basic law of development, did not really resolve the contradictions, they merely reproduced the contradictions on a higher level. As Lenin pointed out:

"Modern war is born of imperialism. Capitalism has reached this highest stage. The productive forces of society have outgrown the narrow framework of separate national states. Hence the striving of the Great Powers to enslave other nations, to seize colonies as sources of raw material and places for the export of capital. The whole world merging into a single economic organism; the whole world is divided up among a handful of Great Powers. The objective conditions for Socialism have fully matured and the present war is a war of the capitalists for privileges and monopolies to postpone the collapse of capitalism." (LCW, vol. 21, p.345).

Just as in the trade cycle, crises act as the forced resolution of the contradictions of capitalism, so must imperialism, the general crisis of capitalism have its forced resolutions of the deepening of the fundamental contradictions of the world. When dealing with the *trade cycle crises are basically crises of overproduction*. They are an expression of the fact that the bourgeois relations of production have proved themselves much too narrow for the productive forces.

"How does the bourgeoisie get over these crises? On the one hand by enforced destruction of a mass of productive forces; on the other, by the conquest of new markets and the more thorough exploitation of old ones. That is to say, by paving the way for more extensive and more destructive crises, and by diminishing the means whereby crises are prevented." (Marx and Engels, COMMUNIST MANIFESTO).

Since crisis does not do away with the contradictions between the social character of production and the private-capitalist nature of crises--sooner or later the movement of capitalist production must once more lead to crisis. This is true of either the forced resolution of the contradictions which are only part of the trade cycle, the periodic crises; as well as for the forced resolution of the fundamental contradictions of the General Crisis of capitalism. Only in this latter case the forced resolution takes on a specific form, imperialist war.

#### WAR-FORCED RESOLUTION OF CRISIS

"War is politics continued by other (i.e. forcible) means." Imperialist war is the continuation of imperialist politics, that is, politics in the

interests of finance capital, of the robbery and oppression of the toiling masses in both the colonies and all foreign countries. Politics, on the other hand, is economics in a concentrated form. *It is the fundamental nature of imperialist economics which gives rise to its politics and to imperialist war. War is the forced resolution of the basic contradiction of capitalism--the contradiction between the social nature of production and the private nature of appropriation--when this contradiction is pushed to its most extreme point due to the world scope of the capitalist system.*

"The core of the whole international situation that has now arisen lies in the economic relations of imperialism. Throughout the course of the twentieth century, this new, higher, and last stage of capitalism has become fully defined. Of course you know that the most characteristic, the most essential feature of imperialism has been the fact that capital has achieved enormous dimensions." (Lenin, THE INTERNATIONAL SITUATION AND THE FUNDAMENTAL TASKS OF THE COMMUNIST INTERNATIONAL, Second Congress, July 19, 1920).

The enormous dimensions of capital in imperialism has effects upon the relationship of the trade cycle with its crises (which do not cease to exist within the General Crisis) and the General Crisis of capitalism. This great mass of capital which is now in motion through the developing phases of the General Crisis has superimposed upon it the periodic crises of the trade cycle.

As the General Crisis emerged through the course of the First World War, it was the Second World War which ushered in the second stage of the General Crisis.

"The disintegration of the single, all-embracing world market must be regarded as the most important economic sequel of the Second World War and of its economic consequences. It has had the effect of further deepening the general crisis of the world capitalist system....the sphere of exploitation of the world's resources by the major capitalist countries (U.S.A., Britain, France) will not expand, but contract; that their opportunities for sale in the world market will deteriorate, and that their industries will be operating more and more below capacity. That, in fact, is what is meant by the deepening of the crisis of the world capitalist system in connection with the disintegration of the world market." (Stalin, ECONOMIC PROBLEMS OF SOCIALISM IN THE USSR, SW, pg.333-4).

#### SECOND STAGE OF THE GENERAL CRISIS

The economy of the United States, which emerged from the Second World War as the overlord of the imperialist system, took in one-half of the industrial production, one-third of the exports and three-fourths of the capitalist world's gold reserve in 1945. However, this same economy has been bogged down in the second stage of the General Crisis of capitalism with six grave crises of overproduction interwoven with financial and dollar crises causing the deterioration of the economic position of the U.S. imperialists. Imperialism, in its post-war stage, only strengthens capitalism's tendency towards unusual development. But the nature of the second stage of the crisis of capitalism changed the form of the struggle for the *redivision* of the world that this uneven development brings. After the Second World War there is no longer the same course of development as existed in the thirties.

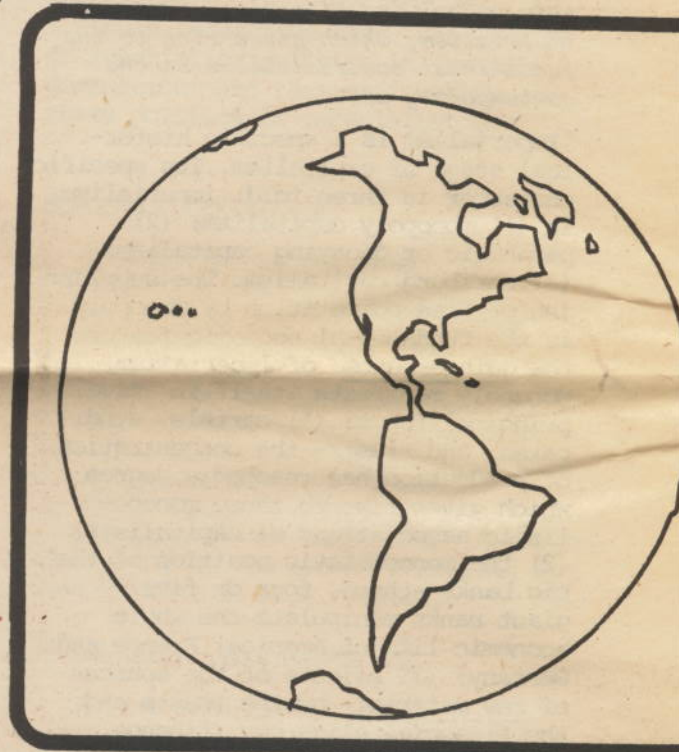
"a) Can it be affirmed that the thesis expounded by Stalin before the Second World War regarding the relative stability of markets in the period of the general crisis of capitalism is still valid?

b) Can it be affirmed that the thesis expounded by Lenin in the spring of 1916--namely, that, in spite of the decay of capitalism, "on the whole, capitalism is growing far more rapidly than before"--is still valid?

I think not. In view of the new conditions to which the Second World War has given rise, both these theses must be regarded as having lost their validity." (Stalin, ECONOMIC PROBLEMS OF SOCIALISM IN THE USSR, SW, P.334).

#### ECONOMIC RE-DIVISION OF THE WORLD

In the spring of 1916, when Lenin wrote IMPERIALISM, THE HIGHEST STAGE OF CAPITALISM, the situation was such that Lenin said "*the (economic) partition of the world by the international cartels has begun.*" It was the fact that this economic partition had only begun that was the basis of Lenin's formulation that "on the whole, capitalism is growing far more rapidly than ever" in spite of its decaying, moribund character.



After World War II, the second stage of the General Crisis is marked by the fact that the *economic division of the world is completed*. The struggle that ensues between the imperialist powers is primarily for the *economic redivision of the world*, with territorial redivision being a secondary matter.

It is for this reason that the main developing form of plunder of the colonial peoples after World War II is neo-colonialism. Lenin recognized this as an integral part of imperialism which must come into its day.

"Economically, imperialism is monopoly capitalism. In order that monopoly may be complete, competitors must be eliminated, not only from the home market (the market of a given country), but also from the foreign market, from the whole world. Is it economically possible "in the era of finance capital" to eliminate competition even in a foreign country? Of course it is; the means to this end are-- financial dependence, the cornering of sources of raw materials and the buying out of all the competitors' enterprises....Big finance capital in one country can always buy up competitors in another, politically independent, country, and always does so. Economically this

is quite feasible. Economic "annexation" is quite "feasible" without political "annexation," and constantly occurs." (Lenin, A CARICATURE OF MARXISM AND "IMPERIALIST ECONOMISM", 1916).

Seizing on their advantage at the end of the Second World War, the U.S. imperialists have been attempting to establish a huge empire. Faced by the ever shrinking world markets, first by the combination of the then socialist USSR with the people's democracies in Asia and Eastern Europe, and later by the forming of the mighty socialist camp encompassing a third of the people of the world, the U.S. imperialists frantically strove to dominate the countries lying between the U.S. and the socialist camp. U.S. monopoly capitalism conformed with Lenin's view that,

"It (capitalism) has outlived itself. It has become the most reactionary brake on human development. It has boiled down to the autocracy of a handful of billionaires and millionaires....The collapse of capitalism is inevitable. The revolutionary consciousness of the masses is growing everywhere. Thousands of signs point to this.... The capitalists, bourgeoisie, can at "best" for themselves postpone the victory of Socialism in one or the individual country at the cost of wiping out new

hundreds of thousands of workers and peasants. But they cannot save capitalism." (Lenin, REPLY TO QUESTIONS PUT BY AN AMERICAN CORRESPONDENT ).

### BISCUIT AND WHIP RULE

The imperialist politics remained the essential politics of all capitalist rule, "the biscuit and the whip", either the rule by deception of material gain or by open brute force. From the Second World War, armed with the dollar and the nuclear blackmail, U.S. imperialism pushed its policies of aggression and war all over the world. The international proletariat and the oppressed nations and people of the world have waged a continuing struggle against the aggression, interference, subversion and control, of colonialism and neo-colonialism.

The distinction which Lenin made between the fact that the political-territorial division of the world was completed and the fact that the economic division of the world had just begun is the key to understanding the position of U.S. imperialism today and the present crisis as an intensification of the General Crisis of capitalism. With the emergence of the U.S. bourgeoisie at the top of the imperialist dung-heap at the end of World War II, they set off to establish "their" empire. The national-liberation movements in Asia, Africa, and Latin America had begun to move towards throwing off the colonial yoke. The primary struggle of the peoples of these continents was to throw off the imperialists and their lackeys.

Faced with this growing tide the imperialists were forced to change their form of domination, not giving up colonialism, but adopting a new form, neo-colonialism. Neo-colonialism relies upon the selection and training of native agents from within the colonial country. The imperialists headed by the U.S., enslaved or controlled the colonial countries and countries which declared their independence, by

setting up military bases, organizing military blocs and fostering puppet regimes. By means of economic "aid" or other forms, they retain those countries as markets for their own goods, sources of raw materials and outlets for their export of capital, plunder the riches and set off to suck the blood of these countries.

When they are unable to continue their rule by "peaceful" means they engineer military coups d'etat, carry out subversion, assassination or even resort to direct armed intervention and aggression. This oppression and exploitation of the colonial peoples is carried out for the economic penetration of the world. The struggle which sharpens the contradictions of the capitalist world after World War II is pushed by the imperialists' need to maximize profits in the face of the disintegration of the imperialist markets and its actual shrinking in size.

*The struggle between the imperialist powers is, then, not only faced with the redivision amongst themselves of a world market, but of a world market which is rapidly shrinking.*

The deepening of the contradictions inherent in imperialism through the disintegration of the world imperialist markets (which is the essential feature of the General Crisis of capitalism) is the underlying historical motion of the disintegration of capitalism. The intensification of the General Crisis of capitalism drives the bourgeoisie more and more to desperate scheming to extend its life. This second stage of the General Crisis has gone through a long-term development giving us the present situation.

*The present situation is one in which, since World War II, capitalism, colonialism, and imperialism have changed to be weak, and the revolutionary forces, who represent the orientation of world history, have grown from weak to strong. Today's upheavals are an expression of the sharpening of the basic world contradictions, which have undergone important changes from the end of World War II.*

## 3. The Second World War and the Development of the World's Main Contradictions up to 1963

The Second World War, like the First World War, was simultaneously both a product of the deepening contradictions of capitalism and the cause of the further intensifying of these contradictions. The end of the war saw a radical shift in the international balance of forces in favor of socialism. The defeat of fascism by the Soviet Union under the leadership of Comrade Stalin greatly increased the prestige of the USSR among progressive forces around the world and dashed the hopes of monopoly capitalism that Hitler's reactionary forces would destroy the first dictatorship of the proletariat. In addition,

"Whereas the principal result of World War I had been that the united imperialist front was breached and that Russia dropped out of the world capitalist system, and whereas, as a consequence of the socialist system in the USSR, capitalism ceased to be an integral, world-wide economic system, World War II and the defeat of fascism, the weakening of the world position of capitalism and the enhanced strength of the anti-fascist movement resulted in a number of countries in Central and South eastern Europe dropping out of the imperialist system." (Zhdanov, THE INTERNATIONAL SITUATION, FLPH, 1947, p. 8).

*The events around World War II which ushered in the second stage of the General Crisis of capitalism saw the emergence of the socialist camp led by the USSR. On the heels of this great leap forward for the world proletariat came the historic victory of the Chinese October Revolution led by the Chinese Communist Party (CCP) with Chairman Mao Tsetung at the helm.*

The successful establishment of the New Democracies of Eastern Europe, the rise of the national-liberation movements, the success of the Chinese Revolution, and the establishment of the socialist camp offered earth-shaking examples of the moribund nature of imperialism and of the all-round growth of the world's workers and communists movements.

### RISE OF THE "COLD WAR"

The imperialist bourgeoisie became greatly alarmed. Of the six largest imperialist powers (Germany, Japan, Great Britain, the U.S., Italy and France), only the U.S. emerged from the war strengthened—so it was U.S. imperialism which headed a frontal attack against socialism with the aim of establishing and maintaining all-round political, economic, and military domination of the world. Filling in the shoes for the fascists, the U.S. imperialist's aim was to (1) seize the vast intermediate zone

between the U.S. and the socialist camp, (2) crush the revolutionary actions of the oppressed peoples and nations and, (3) wipe out the socialist camp. In order to achieve this strategic goal the U.S. bourgeoisie militarized its economy, initiated the post-war armaments race, set up aggressive military blocs such as NATO, established an elaborate network of overseas military bases and installations, initiated acts of aggression all over the globe, and, taking advantage of its temporary monopoly of atomic weapons, made extensive use of nuclear blackmail as a means of intimidation and coercion.

On the economic and political fronts, the Truman Doctrine and Marshall Plan headed the list of imperialist plans to enthrall Europe both economically, under the guise of U.S. "aid", and politically, by propping up all reactionary forces offering resistance to the socialist countries.

On the ideological front, a frenzied campaign of slanderous attacks was launched against the socialist camp, particularly the USSR. Imperialism's aggressive designs were justified on the basis of an anti-communist crusade in defense of "freedom and democracy".



## U.S. IMPERIALISM: A PAPER TIGER

In evaluating the situation described above, it was the tendency of some among the progressive forces to take a pessimistic view, over-estimating the strength of imperialism and reaction and under-estimating the strength of the masses in struggle. Such a viewpoint did not differentiate between outward appearances of strength and inward weakness. They were unable to see that U.S. imperialism's bid for world power was nothing more than the blind thrashings of a beast doomed to extinction and that it is the movements of the masses which decide history; that the rise of U.S. imperialism was the manifestation of a dialectical process in which imperialism was on the decline and the forces of socialist revolution on the rise.

"The dialectical method regards as important primarily not that which at the given moment seems to be durable and yet is already beginning to die away, but that which is arising and developing, even though at the given moment it may not appear to be durable, for the dialectical method considers invincible only that which is rising and developing. (Stalin, DIALECTICAL AND HISTORICAL MATERIALISM, International Publishers, 1940, p.8).

The essence of imperialism, which Lenin referred to as a "colossus with feet of clay", was seen clearly by Comrades Stalin and Mao. In his TALK WITH ANNA LOUISE STRONG in 1946, while the U.S. imperialists were busy beating their chests and waving their atomic weapons, Chairman Mao put forward his brilliant thesis that "all reactionaries are paper tigers. In appearance the reactionaries are terrifying, but in reality they are not so powerful. From a long-term point of view, it is not the reactionaries but the people who are really powerful." (SW of Mao, FLP, p.97).

Soon afterwards, Comrade Stalin clearly expressed that "atomic bombs are intended for intimidating the weak-nerved, but they cannot decide the outcome of war." (FOR PEACEFUL COEXISTENCE, International Publishers, 1951, p.22).

Armed with advanced theory, Comrades Stalin and Mao were able, almost 30 years ago, to correctly conclude what events since, especially over the last decade, have proven so conclusively. Even the leaders of the bourgeoisie can no longer hide their panic at the rapid successes of the world struggles for revolution, independence and revolution.

### FOUR FUNDAMENTAL CONTRADICTIONS

With the deepening of the General Crisis of capitalism all of the contradictions of imperialism grow more acute. The attempts of the bourgeoisie to resolve these contradictions inevitably mean increased exploitation and oppression of the working people of the world. War, as a means of the forced temporary resolution of contradictions under imperialism is the ultimate form of class exploitation.

From the 1940's through the early 1960's the fundamental contradictions in the world were the following:

-the contradiction between the socialist camp and the imperialist camp;

-the contradiction between the proletariat and the bourgeoisie in the capitalist countries;

-the contradiction between oppressed nations and imperialism;

-the contradiction among the imperialist countries and among the monopoly capitalist groups.

(PROPOSAL CONCERNING THE GENERAL LINE OF THE INTERNATIONAL COMMUNIST MOVEMENT, FLP, 1963).

We have already discussed in some detail the contradiction between the socialist and imperialist camp, and how it manifested itself. During this entire period, not only did the imperialist camp wage a ferocious external struggle against the USSR, but also internally, many capitalist roaders exerted constant pressure upon the dictatorship of the proletariat led by Comrade Stalin.

At the same time, the contradictions between the bourgeoisie and the proletariat of the capitalist countries intensified. With every effort on the part of the bourgeoisie to intensify its oppression and exploitation, there was a steady wave of resistance by workers, with a drastic increase in number of work stoppages in the U.S., from 3,693 in 1947 to 5,091 in 1953. In France, Germany, Britain and Italy there was a great wave of post-war strikes.

In the U.S., in particular, the workers were particularly disarmed to carry on their struggle against the bourgeoisie because of the revisionist liquidation of the CPUSA in 1944—the forerunner of modern revisionism leading directly to Tito and Krushchev. Without its vanguard leadership, the trade union movement lacked genuine proletarian class leaders. This was evidenced in 1955, with the merger of the AFL-CIO under the reactionary leadership of George Meany, who was quoted in the NEW YORK TIMES as stating that "I never went on strike in my life, never ran a strike in my life, never ordered anyone else to run a strike in my life, and never had anything to do with a picket line....I have no experience with that type of power."

In the contradiction between the oppressed nations and imperialism, World War II gave birth to a fervor of revolutionary movement all over the world, in Asia and Africa in particular. During this period the courageous Vietnamese people continued to wage protracted guerrilla warfare against both the French and the U.S. In Algeria, the French were defeated. In the late 1950's and the early 1960's, wave upon wave of independence movements emerged in Africa.

At the same time, all during this period the contradictions among the imperialist powers were developing, as a result of the uneven development of imperialism. As a principal step toward achieving world hegemony after World War II, the U.S. moved to establish financial and monetary superiority, through the establishment of the World Bank, and the International Monetary Fund (IMF) at the Bretton Woods Conference.

In this manner, the U.S., the only capitalist country which came out of the war with substantial assets, established the dollar as the sole conversion currency, or the Dollar Gold Standard. Through this standard the currencies of all other capitalist countries are made to be dependent on the dollar in international exchange.

With the devastation of Europe and Japan, the markets for U.S. capital exports was wide open, which in turn served to accelerate the process of uneven development between capitalist countries.

### INCREASED IMPERIALIST RIVALRY

The drive for maximum profits was pointed out by both Lenin and Stalin as a characteristic feature of imperialism.

"Modern capitalism, monopoly capitalism, cannot content itself with the average profit, which moreover has a tendency to decline.... It is not the average profit that modern monopoly capitalism demands... That will be the basic economic law of modern capitalism." (Stalin, ECONOMIC PROBLEMS OF SOCIALISM IN THE USSR, SW, p.39).

This drive for maximum profit pushes investment into those areas where the maximum profits can be attained for

the prolonged security of the reproduction of capital. This investment however, has very real consequences. The direct investment which meant the development of W. Europe in turn increased the competitive power of these sectors. This, combined with the fact that the export of capital tends to bring about the stagnation of the economy of the exporting country, means that the boosting of the economic potential of Europe only increased the contradiction between the capitalist countries in the struggle for markets for both commodities and capital.

Under the pressure of the expansion of its industries, the W. European countries were themselves confronted with the need for greater markets. U.S. economic hegemony was faced with growing competition. At the same time the world market situation for capitalism as a whole was being aggravated by the shrinking of these markets as the national-liberation movements of the third world wrested more and more territory and people from the world capitalist economy. This shrinkage of markets in the face of growing industrial capacity throughout the capitalist world was further exacerbated by the decline of imperialism's domestic markets. The increasing exploitation of the working class within the capitalist countries has rapidly destroyed the worker's ability to buy even the basic necessities and widened the gap between expanding production and declining consumption. As a result the bourgeoisie of the industrial countries has been forced to increasingly search for markets outside their own borders and to protect their profits from the encroachments of other imperialist powers. The nature of this rivalry could be seen in the formation of the European Economic Community (EEC), or Common Market, in March of 1957. For the EEC countries the Common Market was the means to a more stable market situation and more favorable terms of competition with the other industrial countries (especially the U.S.). The formation of the EEC was an expression of the increasing intensification of the contradiction between the U.S. and the West European monopoly groups. The creation of the Common Market, which is essentially an economic bloc protected by customs barriers, deepened the rising export crisis for the U.S. and worsened its trade situation.

### GROWING TWO LINE STRUGGLE

The radical changes which occurred in the objective sphere between the Second World War and the early 1960's all reflected themselves in the intensifying two line struggle in the international communist movement, and hence in the strategy and tactics of the proletarian struggle against the bourgeoisie.

In 1955, in response to U.S. imperialism's persistent interference and subversion in many developing nations, the historic Bandung Conference of nonaligned nations was held. At this conference 10 principles were agreed upon as the basis to develop friendly cooperation among the Asian-African countries attending.

At the same time, with the death of Joseph Stalin, bourgeois forces within the Soviet Union were plotting the restoration of capitalism. In 1957, the Moscow Meeting of Twelve Communist and Worker's Parties was held in the U.S.S.R., on the occasion of the fortieth anniversary of the great October Socialist Revolution.

The Declaration of the 1957 Moscow Meeting set out a generally correct view of the world situation and the international communist move-

ment. But 1957, one year after the tragic 20th Party Congress of the CPSU, marks the consolidation of Khrushchovite revisionism in the U.S.S.R., From 1957 onward both the Party of Labor of Albania and the Chinese Communist Party began to raise private criticism to the Soviet leaders on a number of matters, including Yugoslav revisionism, events in Hungary, interference in the internal affairs of other parties, and deviations from the Moscow Declaration.

By 1960, the two line struggle in the international communist movement had sharpened, and erupted openly among communist and workers' parties first at the Bucharest Meeting and later in November, at the Moscow Meeting of

81 Communist and Worker's Parties.

In combat against modern revisionism, the Party of Labor of Albania and the Chinese Communist Party upheld the 1957 Moscow Declaration and 1960 Statement. In June 1963, the Central Committee of the Chinese Communist Party sent a letter to Central Committee of the Communist Party of the Soviet Union. It contained a PROPOSAL CONCERNING THE GENERAL LINE OF THE INTERNATIONAL COMMUNIST MOVEMENT, drawing firm and uncompromising lines between revolutionary Marxism-Leninism and modern revisionism on the nature of our era. The statement remains the general line for the international communist movement, and vividly sums up the world situation at that time:

"Workers of all countries, unite; workers of the world unite with the oppressed peoples and oppressed nations; oppose reaction and imperialism in all countries; strive for world peace, national liberation, peoples democracy and socialism; consolidate and expand the socialist camp; bring the proletarian world revolution step by step to complete victory; and establish a new world without imperialism, without capitalism and without the exploitation of man by man. (A PROPOSAL CONCERNING THE GENERAL LINE OF THE INTERNATIONAL COMMUNIST MOVEMENT, in THE POLEMIC ON THE GENERAL LINE OF THE INTERNATIONAL COMMUNIST MOVEMENT, p.5, FLP, 1965).

### 4. Changes in the World Situation as a Result of the Consolidation of Capitalism in the USSR

With the seizure of party power and the restoration of capitalism in the U.S.S.R., fully consolidated by the mid 1960's, all four of the world's fundamental contradictions changed. They became:

- the contradiction between U.S. imperialism and Soviet social-imperialism and the national liberation movements,
- the contradiction between the proletariat and the bourgeoisie in the capitalist and revisionist countries,
- the contradiction between the imperialist and social-imperialist countries and socialist countries,
- the contradiction among the imperialist countries.

While the rise of modern revisionism and the restoration of capitalism in the U.S.S.R. was a result of the failure of the subjective factor, it had profound implications and influence on the development of the objective factors, and the intensification of the general crisis of imperialism.

As previously indicated, the U.S. imperialists exerted savage pressure militarily, economically, and ideologically against the first socialist state. With the death of comrade Stalin in 1953, the capitalist roaders inside the U.S.S.R. seized upon the opportunity, stepped up their internal bourgeois campaign, and succeeded in gaining control of the Bolshevik party once led by the great Lenin and Stalin.

#### THE SLIMY PUDDLE OF SOVIET REVISIONISM

With the usurpation of party power and the restoration of capitalism, all four of the world's main contradictions changed. As a result of the dissolution of the socialist camp and the entrance upon the international scene of Soviet social-imperialism, the contradiction between the socialist and imperialist camps became one of the contradiction between the socialist countries on the one hand and the imperialist and social-imperialist countries on the other.

The revisionist course, pursued by the the renegade Khrushchevite clique at the 20th Congress of the Communist Party of the Soviet Union in 1956, and their slanderous attack on comrade Stalin spread confusion within the ranks of the international communist movement. Using the prestige and authority of the Party of Lenin, the Soviet revisionists launched a campaign of coercion aimed at directing other parties onto the road of the betrayal of the world proletariat. At the 1957 Moscow Conference, and again at the June 1960 meeting in Bucharest

and the November Moscow Meeting of the same year, the revisionists tried to have the line of the 20th Congress adopted as the general line of the international communist movement, but were defeated by the revolutionary forces led by China and Albania. Enraged over the staunch stand taken by the Chinese and Albanians, the Soviets have done everything in their power to injure and undermine the Albanian socialism by breaking off all economic and diplomatic relations and by depriving it of its rights as a member of the Warsaw Treaty Organization and of the CMEA. The Soviet revisionists even withheld much needed wheat in an effort to starve out the courageous Albanian people. To this the Albanian comrades replied, "We have fought empty bellied and bare-footed, but have never kowtowed to anybody." Similar attacks have been directed at the Chinese Communist Party and Mao Tse-tung. The Soviet revisionists broke agreements and contracts, withdrew Soviet experts assisting China in socialist construction, engineered border disputes, and backed the reactionary Indian government's armed attack on the People's Republic of China.

The formation of the socialist camp had been a powerful blow to imperialism. In opposing the imperialist's course of aggression and war and aiding the revolutionary struggles of the oppressed classes and nations of the world, the socialist camp exerted a powerful influence on the course of history. If was for this reason that imperialism tried in countless ways to undermine the socialist camp and to break up the unity of the socialist countries.

Modern revisionism, although not first arising in the U.S.S.R., received a powerful impetus through the events in the Soviet Union. As the Albanian comrades have stated:

"Modern revisionism was born about the time of the second World War. Its first representatives were Browder in America, and Tito in Europe. But due to the struggle of Marxist-Leninist parties, headed by the Bolshevik party led by Stalin, neither Browderism, nor Titoism could flourish very widely. They were isolated and fully exposed. Modern revisionism was turned into a major international trend only after the 20th Congress of the Communist Party of the Soviet Union and due to this ill-fated congress. (THE PLA IN THE BATTLE AGAINST MODERN REVISIONISM, p.506).

Holding the reins of state power in the first socialist state and exercising its powers in the name of

the oldest and most influential party of the proletariat, the social-imperialists, led first by Khrushchov and now by Brezhnev, have greatly increased the dangers of modern revisionism. Posing as true upholders of revolutionary Marxism-Leninism, the social-imperialists have made every attempt to divert the world's peoples from the road of independence, liberation, and revolution and onto the road of "peaceful coexistence" between oppressor and oppressed.

#### SOCIAL-IMPERIALISM MEANS WAR

Soviet social-imperialism arose as a product of the contradictions of imperialism, and in turn has served to further aggravate those contradictions. While the success of proletarian revolution in the U.S.S.R. and the withdrawal of the Soviet Union from the world capitalist economy marked the onset of the general crisis of imperialism, the collapse of the first dictatorship of the proletariat did not resolve the general crisis. The U.S.S.R. has simply returned to the world capitalist economy on a new level and in a new context, as a superpower in the second stage of the general crisis, the stage of rapidly shrinking imperialist markets. The results have been a severe sharpening of the contradictions of imperialism through superpower contention and the rapidly approaching menace of a new world war over the struggle for the redivision of the world.

Today there are several imperialist states-but only two superpowers, the U.S. and the U.S.S.R.. Of the two, it is the U.S. who has in recent years suffered a string of defeats militarily, and financially its position in the world is steadily eroding. Since the second World War, the U.S. has been gliding down a roller coaster of decline. The weakening of U.S. imperialism, together with the internal basis for social-imperialism in the U.S.S.R., provides the conditions under which the Soviet Union has become the most aggressive, most serious danger of a new world war. The constant collusion and contention between the two superpowers poses an immediate and grave danger to the working and oppressed people of the entire world.

The basis of the open aggressive and rising danger of the U.S.S.R.-in contrast to the decline of U.S. imperialism, is inherent within the process of the restoration of capitalism. When a large socialist country, such as the U.S.S.R., restores capitalist rule, the small new bourgeoisie must forcefully seize the means of production away from the large majority of the population, the working class. There is only one way this can be

achieved, through the open terroristic dictatorship of the minority over the majority, through fascism of the Hitler type.

Furthermore, it is inherent within the nature of state monopoly capitalism in the Soviet Union that it poses such a rising danger of war. Unlike state monopoly capitalism in the U.S., the U.S.S.R. is ruled by a small, single state monopoly that completely dominates the entire economy, unlike the U.S. with several large competing monopoly interests. For this reason the new Soviet czars have been able to consolidate their domination over the Soviet masses and economy rapidly and efficiently. For this reason, the bureaucratic state monopoly capitalists in the U.S.S.R. are virtually one and the same as the state.

This internal basis for monopoly capitalism in the Soviet Union propels the U.S.S.R., as an imperialist power conforming to all of the characteristics of imperialism as presented by Lenin, into the position of a most aggressive newcomer in the international arena, contending with the U.S. for the redivision of the world.

### CONTRADICTIONS WITHIN THE SOVIET UNION

The new bourgeoisie of the Soviet Union are faced by fundamental and irreconcilable contradictions. With the destruction of the first socialist economy and the degeneration of the party of the proletariat into a party of the bourgeoisie; with the rise of a global military and economic apparatus which exceeds, in many ways, even that of the U.S.; with the oppression of nations within the U.S.S.R.; with the installation of profit as the single motive of the productive forces; all the fundamental contradictions inherent within the capitalist mode of production itself have arisen in the Soviet Union, and become acute within the framework of the second stage of the general crisis of capitalism.

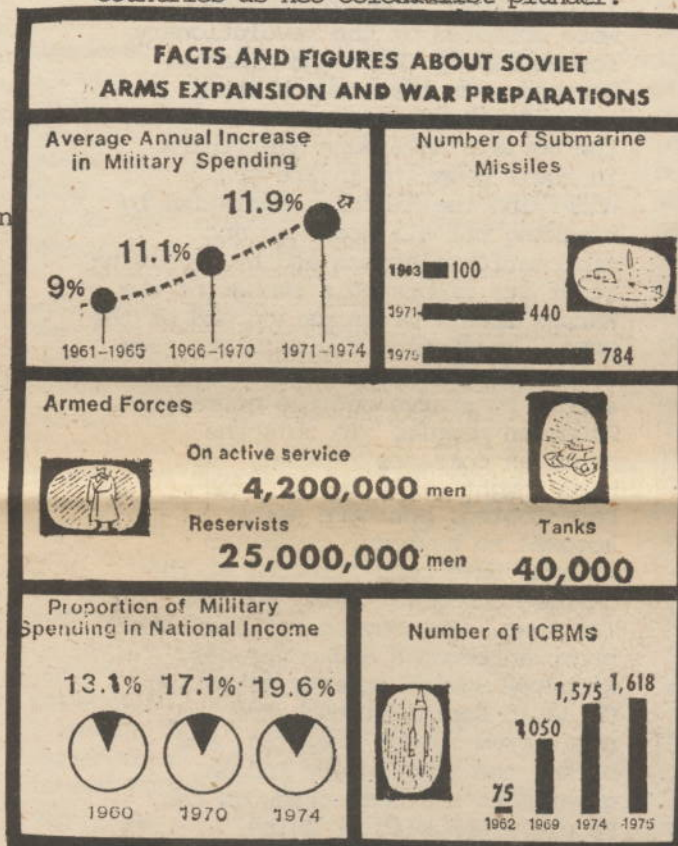
With the implementation of their "new economic system" in 1965, the revisionists now headed by Brezhnev, have given the managers of plants and enterprises the power to hire and fire and to manipulate wages at will. Labor power has once more become a commodity. The burden on the Soviet proletariat has become increasingly unbearable. In addition to increased exploitation and labor intensity, Soviet workers have been thrown into the streets by the thousands to become part of a growing reserve army of labor. Taxes and high prices for basic commodities have severely eroded the material well-being of Soviet workers, and consumer goods in general are in short supply. The proud socialist economy of Lenin and Stalin has been placed under the command of profit by the Soviet monopoly bureaucrat capitalists with the result that production is no longer oriented toward meeting the needs of Soviet society, but rather is a slave to the designs of social-imperialism.

### MILITARIZATION OF THE SOVIET ECONOMY

As the Soviet revisionists pursue their expansionist course of plunder and aggression abroad, the exploitation of Soviet workers increases. In order to realize their schemes of world domination, the social-imperialists, like their U.S. counterparts, have militarized the Soviet economy. In order to contend with U.S. imperialism, the development of social-imperialism as a world superpower has demanded military expenditures equal to and exceeding those of U.S. imperialism. The

Gross National Product of the U.S.S.R., however, is approximately one-half that of the U.S.. The result is that the large-scale production of both conventional and nuclear arms has constituted a tremendous drain on the industry, resources, and raw materials of the Soviet economy and has produced serious consequences for the Soviet working class. In addition to shortages and deteriorating quality of consumer goods, the worsening financial situation produced by growing arms expenditures has produced additional burdens for Soviet workers who are forced to pay the bills of the new Kremlin czars through increased taxes and higher prices (Soviet tax revenues rose from 13.7 billion in 1971 to 15.1 billion in 1972).

The all around restoration of capitalist relations of production has also been extended to and disrupted agricultural production. Grain production between 1971 and 1974 was 12.45 million tons below expectation with the 1974 crop declining 27 million tons from the previous year. Because of this the Soviet revisionists have been forced to bail themselves out by importing agricultural products from capitalist countries, and from the CMEA countries as neo-colonialist plunder.



The Soviet economy, in the hands of state monopoly capital and increasingly ensnared in contradictions, has created a situation of growing impoverishment and oppression of the Soviet workers forced to serve the new Kremlin czars. As in the U.S., such oppression has bred resistance and class struggle between the Soviet bourgeoisie and Soviet workers has reached higher and higher levels in the form of strikes, slow-downs, and demonstrations.

The violent forceful disappropriation of the Soviet working class, the reconstitution of the Soviet bourgeoisie on a material basis of exploitation, and the militarization of the Soviet economy for the purpose of pursuing world domination through war and domestic fascism, all require growing exploitation and oppression for the Soviet workers and peasants. This has become so barbaric that the Soviet czars have now lowered the age for which the death penalty can be administered to twelve years old. It is this barbaric fascist violence which the social-imperialists seek to export through its striving for hegemony on a world wide basis.

### SOVIETS SEEK HEGEMONY

Under the cover of "international division of labor", "economic integration", and the doctrine of "limited sovereignty" the Soviet revisionists have pursued a course

of neo-colonialist aggression, striven to suppress the revolutionary movements of the third world in the interests of "detente" and the prevention of "nuclear holocaust", and attempted to undermine the influence of genuine revolutionary forces led by China and Albania. In order to conceal their true nature, the Soviet revisionists feign support for the struggles of the people of Asia, Africa, and Latin American, but in essence their position is anti-Marxist and counter-revolutionary and serves the interests of a system which is socialist in words only, while imperialist in deeds. Egypt, only recently, has come to understand this very clearly and has taken appropriate action by throwing Soviet personnel out of Egypt.

All of the factors by which Lenin delineated the character and interests of an imperialist power apply to the U.S.S.R.: it is an economy founded on monopoly, ruled by finance capital, and striving to annex every kind of country as a means of resolving its own inherent contradictions. Under a neo-colonialist policy such acts of annexation are accomplished de facto through the economic domination of the neo-colonized country. Under such conditions, "aid" and loans are nothing but the means for controlling the life of the colony.

The importance of the export of capital to the nature of social-imperialism is clearly shown by the activities of the U.S.S.R. within the Council for Mutual Economic Assistance (CMEA) used by the Soviets to further their plans for economic domination. Behind the cover of "economic integration", "mutually cooperative economic policies", and "international division of labor", the social-imperialists have been pursuing a course of depriving member countries of their economic independence.

By "integrating" themselves with the rapacious economic interests of the Soviet revisionists, the countries of the CMEA are being dominated and exploited in the interest of profit. The production of the CMEA countries is rearranged to suit the needs of the social-imperialists and are blackmailed into supplying the money, labor power, and equipment for construction in the Soviet Union. In this way the CMEA countries have had the economic difficulties of the social-imperialists shifted to their own backs. In the course of this they have become dependent on the Soviet revisionists for capital in the form of usurious loans, raw materials, fuel for which they must pay prices far above those of the world market, and military "protection", the true nature of which was clearly demonstrated in Czechoslovakia in 1968. The setting up of states dependent upon it economically, financially, and militarily is characteristic of imperialism in all of its forms.

Through the exchange of unequal values, the Soviet revisionists have plundered the CMEA countries, draining 19 billion dollars out of Eastern Europe between 1955 and 1973. Along with this there is the setting up of the Warsaw Treaty Organization, the Soviet's version of NATO, to further its designs on Europe. At the same time the U.S.S.R. has moved to control an ever greater slice of the third world. The Soviet role in India is a prime example.

On August 9, 1971 with the signing of the "Indo-Soviet Friendship Treaty", India became a satellite state of the U.S.S.R.. Peddling the lines of "peaceful coexistence" and "peaceful competition" the U.S.S.R. has set out to repress the national liberation movements of the third world and establish its own system of neo-colonialism. By collaborating with the reactionary governments of first Nehru and then



the present Gandhi government, the U.S.S.R. has succeeded in making India its economic vassal.

In the name of providing "economic aid" they have plundered the Indian people. Since 1962 the Soviet social-imperialists have provided huge amounts of military equipment to the Indian reactionaries. By robbing the Indian people in the name of helping the "state sector" of the Indian economy they have assisted in the accumulation of large sums of bureaucrat capital. Steel and other state sector products are produced by exploiting cheap Indian labor and raw materials, and are then bought by the Soviet revisionists at below cost prices.

In 1967-68 approximately 5 million dollars was drained from India just on the interest on loans made available only with the stipulation that the money lent be used to buy Soviet goods.

In Latin America, the Soviet Union has followed a neo-colonialist course designed to cash in on anti-U.S. sentiments and turn the Latin American countries from dependents of the U.S. into dependents of the U.S.S.R.. In pursuing its expansionist course in Latin America the Soviet revisionists have even gone so far as to introduce the CMEA, the very agency it so blatantly uses to exploit Eastern Europe, as one of the tools with which it hopes to turn this economic dependence into political subjugation.

In Africa, the situation is similar. For Africa the Soviet brand of "international division of labor" means that African countries should produce goods with native labor and local natural resources while relying on Soviet capital, equipment, and technology—a unity between an industrialized Soviet Union and an Africa "specialized" as a processing plant feeding primary products to Soviet industry at low prices. In this

way the U.S.S.R. seeks to turn the countries of Africa into a means for augmenting its economic strength in its contention with the U.S..

Between 1960 and 1974, the U.S.S.R. seized some \$4,700 million worth of African food, agricultural byproducts, minerals and cotton. The actual trade loss to African countries between 1955-1974 with the Soviet Union was some \$2,400 million. One example of this situation was that in 1974 an African country had to export 4.2 tons of coffee in exchange for one Soviet metal cutting lathe, instead of 1.8 tons in 1955.

In their efforts to justify their social-imperialist role, the Soviet czars have advanced such colonial slogans as "limited sovereignty" to justify their invasion of Czechoslovakia and the interference in countless other countries.

The new Kremlin czars, however, do not limit themselves to the more "subtle" aspects of neo-colonialism. In seeking its hegemony experience has proven that the social-imperialists make use of all means to further their domination. In doing so they have surpassed the rapaciousness of the old Czarist autocracy. Through the formation of military blocs, the use of exploitative treaties, and economic and military "aid" the Soviet revisionists try hard to control and enslave countries of both the second and third worlds. When these "peaceful" efforts fail to bear fruit, however, they resort to military coups, subversion, and direct armed intervention. It is in this sense that the present situation in Angola is especially significant.

Angola is important to the Soviets for three reasons:

- (1) As a source of raw materials (primarily oil and diamonds);

- (2) For control of the South Atlantic and its strategically important shipping lanes to Europe;
- (3) And as a springboard for expansion into central and southern Africa.

In pursuit of these ends Soviet aggression has reached new heights. The seriousness of the Angolan situation lies precisely in the fact that the U.S.S.R. has sought to dominate another country on another continent through the naked armed intervention of both its own forces and through the use of puppet troops from Cuba.

Soviet actions in Angola underline the fact that the past several years have seen the U.S.S.R. assuming an increasingly aggressive offensive posture as it seeks hegemony everywhere. This Soviet offensive means both an increasing threat to the independence of third world countries and increasing rivalry with the other superpower—the U.S.. Both imperialisms have spared no efforts to hide this increasing contention, hegemonistic interference, and plundering behind demagogic phrases and false slogans. Neither hackneyed chanting about "detente" by the imperialist press nor farcical shows like the Helsinki Insecurity Conference are sufficient to cover over their brutal acts of aggression and preparation for war. Both the Helsinki Insecurity Conference and the more recent conference on European "security" are nothing but empty promises and false illusions and cannot succeed in lulling the peoples of the world to sleep. *The "security" of the people of Europe and of the working and oppressed people the world over is incompatible with the expansion of foreign military bases, troop build-ups, and the amassing of atomic weapons. The contention between the two superpowers is bound to lead to imperialist war. Only proletarian revolution can prevent imperialist war.*

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collaborating with the reactionaries

exploiting the masses and exceeding

## 5. The Third World as the Focus of World Contradictions

In the immediate post-war years the designs of U.S. imperialism for the establishment of its own global empire ran up against, first and foremost, the resistance of the oppressed nations and peoples comprising the intermediate zone between the imperialist camp and the then-existing socialist camp. With the failure of the German fascists to crush the Soviet Union led by comrade Stalin, U.S. imperialism immediately began preparations for an aggressive war against the socialist countries with the dream of destroying them. These preparations, however, served the dual purpose of: (1) *developing the basis for the realization of the long-range aim of the imperialists, and (2) providing a smokescreen to conceal the immediate aim of the imperialists to enslave the countries of Europe, Asia, Africa, and Latin America lying between the two opposing camps.* Although the wild ambitions of U.S. imperialism were impossible to realize as long as Soviet socialism existed, an attack on the U.S.S.R. was out of the question without the subjugation of this vast intermediate zone.

The resulting reactionary course of aggression, plunder, and enslavement has, from the outset, fanned the flames of revolution in these areas, particularly Asia, Africa and Latin America, and it is this irresistible tide of revolution which prompted the Chinese Communist Party, in 1963

to correctly present the areas of Asia, Africa and Latin America as the focus of world contradictions.

"The population of these areas in Asia, Africa and Latin America constitutes more than two thirds of the total population of the capitalist world. The ever mounting tide of revolution in these areas and the fight over them between the imperialist powers and between the old and new colonialists clearly show that these areas are the focus of all the contradictions of the capitalist world; it may also be said that they are the focus of world contradiction. These areas are the weakest link in the imperialist chain and the storm center of world revolution". (WHENCE THE DIFFERENCES, New Era, Bath, p.193-194)

The significance of the revolutionary struggle of Asia, Africa and Latin America, the fact that these areas are the focus of world contradictions, must be seen both in terms of their increasing revolutionary scope and in the rivalry between the imperialist powers for the control of these areas.

In analyzing the present international situation Marxist-Leninists must firmly grasp the nature of world contradictions. Only by doing so, by defining them, by noting their changes, and by locating their focus can we provide a scientific theoretical basis for our revolutionary policies. At the present time especially, when the *factors for both war and revolution are on the rise*, a correct understanding of the role of the revolutionary struggles of Asia, Africa and Latin America is fundamental to the prevention of imperialist war through proletarian revolution.

The Great October Revolution of 1917 marked the beginning of a new era of human history and created a broad front of revolutionary struggle against world imperialism. The shock to which the whole world capitalist system was subjected gave rise to a series of revolutions and revolutionary actions both in Europe and in the colonial and semi-colonial countries. The national wars of liberation rose to

a new level as part of the world proletarian revolution. The events of this period were concisely summed up by the Communist International at its 6th Congress in 1928,

"These events...are links in one and the same international revolutionary chain, constituting parts of the profound general crisis of capitalism. This international revolutionary process embraced the immediate struggle for the dictatorship of the proletariat, as well as national wars of liberation and colonial uprisings against imperialism, which go together with the agrarian mass movement of millions of peasants. Thus an enormous mass of humanity was swept into the revolutionary torrent. World history entered a new phase of development--a phase of prolonged general crisis of the capitalist system. In this system, the unity of world economy found expression in the international character of the revolution, while the uneven development of its separate parts was expressed in the different times of the outbreaks of revolution in the different countries." (A HANDBOOK OF MARXISM, International Publishers, 1935, p.975).

*The struggles of the proletariat in the industrial countries and the struggles of the people of Asia, Africa and Latin America are part of one international revolutionary process and are mutual allies in class warfare.* Lenin clearly points out that "the revolutionary movement in the advanced countries would actually be a fraud if, in their struggle against capital, the workers of Europe and America were not closely and completely united with the hundreds upon hundreds of millions of 'colonial' slaves who are oppressed by capital." (WHENCE THE DIFFERENCES, p.204-205).

### LIBERATION, INDEPENDENCE, REVOLUTION

Since World War II especially, the mounting successes of the oppressed nations have delivered hammer blows to imperialism and lent vital support to the struggle of the working class in the advanced industrial countries.

The victory of the Chinese working masses, led by the Communist Party of China headed by Chairman Mao, was truly an inspiration to the peoples of Asia, Africa and Latin America and a glaring demonstration of the impending decline of the entire imperialist system. The political defeat of imperialism in China was also a crushing blow economically to the capitalist world. The loss of an immense market, source of raw materials and of labor power was devastating in its effect upon the decline of the imperialist market.

The successes of socialist reconstruction and the perseverance of the Chinese people in pursuing their internationalist duty to oppose revisionism and hegemonism and support the world struggle of the national-liberation movements has had a determining effect on the nature of the decline of imperialism.

Quickly following the victory of the Chinese people came the success of the Korean people in halting U.S. imperialist aggression in Korea. The unity of the people of Korea, led by the great leader Kim Il Sung and the Korean Worker's Party delivered another bitter defeat for the U.S. imperialists' post-war plans. The striking example of proletarian internationalism through the Chinese volunteers against U.S. aggression in Korea served as a shining beacon in

the further unity of the world's people's struggle to defeat imperialism.

### THREE WORLDS

With the consolidation of revisionism in the Soviet Union and the dissolution of the socialist camp in 1963, the globe was divided into three worlds: The first world made up of the two superpowers, the second world consisting of all the other capitalist countries, and the economically underdeveloped countries of the third world whose mounting revolutionary successes have backed imperialism into a corner and profoundly deepened its general crisis.

The rise of the third world is not accidental but an inevitable result of the struggle against imperialism and colonialism by the people of Asia, Africa, and Latin America.

The people of Vietnam, led by their vanguard party under the leadership of president Ho Chi Minh, have delivered a crushing defeat to imperialism after a 30-year struggle against first the French, then the U.S. and its puppet comprador agents.

The victory of the national liberation movement in Vietnam has further whittled down the imperialist market, intensifying the competition between the two superpowers and the capitalist monopoly groups. This victory and the victories in Cambodia and Laos have weakened the imperialist system as a whole and eliminated the richest areas of Asia from the world imperialist system.

The defeats which the imperialist system has suffered at the hands of the African liberation movements further demonstrates the strength of the third world peoples. Victories in Guinea-Bissau, Mozambique, Cape Verde Islands, Comoro Islands, Sao Tome, Principe and the continuing struggle in Angola, are the results of the continuing of the tenacious struggles of the African people for the elimination of hundreds of years of colonial rule.

In addition, the struggle is continuing to accelerate as the Zimbabwean, Namibian, and Anzanian peoples are rising to defeat the fascist regimes in control of Rhodesia and South Africa. Their victory is certain...and will also be our victory as a blow against imperialism.

All of these armed struggles consolidating the just desires of the people of the third world for liberation and independence have supplied the basis for the rise of the call for complete independence from colonialism, neo-colonialism and hegemonism. The independence and liberation of the weak and small nations are never achieved through the gift of some benevolent dictator. Protracted armed struggle of the united peoples of these countries is the only reliable weapon to guarantee success.

As Chairman Mao stated in his historic May 20, 1970 statement:

"U.S. imperialism, which looks like a huge monster, is in essence a paper tiger, now in the throes of its death-bed struggle. In the world of today, who actually fears whom? It is not the Vietnamese people, the Laotian people, the Cambodian people, the Palestinian people, the Arab people or the people of other countries who fear U.S. imperialism; it is U.S. imperialism which fears the people of the world. It becomes panic-stricken at the mere rustle of leaves in the wind. Innumerable facts prove that a just cause enjoys abundant support while an unjust cause finds little support. A weak nation can defeat a strong, a small nation can defeat a big. The people of a small country can certainly defeat aggression by a big country, if only they dare to rise in struggle, dare to

rise in struggle, dare to take up arms and grasp in their own hands the destiny of their country. This is the law of history."

## NEW ECONOMIC ORDER

These victories and other factors hastened the call for a new economic order in the international scene. This new international economic order will be based on the united front of the third world countries against the neo-colonialism and hegemonism of the superpowers and imperialism. By transforming single-product economies imposed on them by colonialism the countries of the third world are reducing their dependence upon imported industrial products and food, developing agriculture and industry in accordance with their own needs and resources.

This fight against plunder which is now being realized in a new economic order have caused the imperialist and superpower markets to shrink and has aggravated the capitalist economic crisis. We can now say that the process which Lenin pointed to as having just begun in 1916, "the economic partition of the world has begun", has been completed.

## 6. The Present Situation

The current crisis, which mushroomed toward the end of 1973, is not new, nor is it unconnected to the fundamental contradictions in the world, and the basic contradiction of capitalism itself: that between the private nature of appropriation and the social nature of labor.

Since the Great Depression of the 1930's the U.S. monopoly capitalists have used the state apparatus to intervene in the development of the economy in the hope of avoiding crisis. This is state monopoly capitalism. It adopted the Keynesian course of increased governmental spending, arms expansion, war expenditures, budget deficits, easy credit and monetary inflation to stimulate the lopsided development of the economy.

The rise of this state monopoly capitalism, contrary to what was intended by the bourgeoisie, has served only to aggravate the already existing contradictions in both production and commodity circulation and to promote further crises in the financial and monetary spheres.

### BALANCE OF PAYMENTS DEFICIT

The military and economic expansion pursued by the U.S. since World War II has resulted in huge deficits in the balance of payments. As a means of making up these deficits, the U.S. bour-

The general crisis of capitalism is now faced with the fact that the shrinking of its markets is an ever increasing every day fact.

All of these factors of the international situation, and their historical development, point to increasingly heightened contention between the Soviet social-imperialists and the U.S. imperialists. With the increasing sharpening of the contradictions at home and the loss of markets abroad, the U.S. bourgeoisie is like a cornered rat. The other superpower, the U.S.S.R., is on the rise. Having imposed its fascist rule at home it is now involved in exporting this same method of armed rule to the rest of the world.

Both are governed by the laws of imperialism, based on monopoly, both are driven to annex every kind of country, to strive for hegemony. Thus they must both engage in ruthless competition with one another.

As Lenin pointed out:

"It is this combination of antagonistic principles, viz., competition and monopoly, that is the essence of imperialism."

geois state has followed the inflationary course of increasing the supply of national bonds and currency. The excessive issuing of currency, causing domestic inflation, could and did bring along with it the currencies of all the other capitalist countries which had linked their currencies to the dollar.

Interwoven with this process has been the chronic deficit in the U.S. balance of payments. The international balance of payments is the relationship between the income and outflow of all transactions with all other countries in a specific period of time.

The U.S. has traditionally had a balance sufficiently favorable in trade items to offset huge deficits arising from military expenditures and economic "aid". In recent years, however, as European and Japanese recovery from the effects of war have confronted the U.S. position in world trade with increasing competition, this has changed. 1971 and 1972 saw the U.S. saddled with 22,000 million dollars and 13,000 million dollars respectively in the red in balance of payments. Although for many years the dollar ruled supreme, financing U.S. capital exports and dispensing foreign "aid", heavy military expenditures, capital export and trade deficits gave rise to enormous arrears in the U.S. balance of payments. Most of these dollars found their way into Europe due to the demand for capital as the European economy became rehabilitated.

The facts are plain. Imperialist war must be prevented by proletarian revolution, and if proletarian revolution is to be successful, it will be so on the basis of the revolutionary alliance between the proletariat of the industrial countries and the peoples of the oppressed nations of the third world.

A fundamental task is therefore placed before the international communist and workers movements—to support the revolutionary struggles of the third world on the basis of the recognition that these struggles are of decisive importance for the revolutionary success of the international proletariat as a whole.

The center of world contradictions, of world proletarian struggle, is not fixed for all time, but shifts with decisive changes in the world revolutionary situation. With the deepening of capitalism's general crisis and the development of contradictions and struggle between the bourgeoisie and the proletariat in the industrial countries, these bases of capitalism and heartlands of imperialism will, in turn, become the center of world proletarian struggle, the focus of world contradictions. Nations want liberation, countries want independence, and the people want revolution!

In August 1971, the U.S. announced the suspension of the dollar's convertibility into gold. This was an attempt to stem the depletion of U.S. gold reserves resulting from its imbalance in payments.

With the downfall of the Gold Pool which had been built up between the U.S. and EEC countries, the dollar quickly lost credibility. By December 1971 the U.S. was forced to announce the devaluation of the dollar by 7.98%.

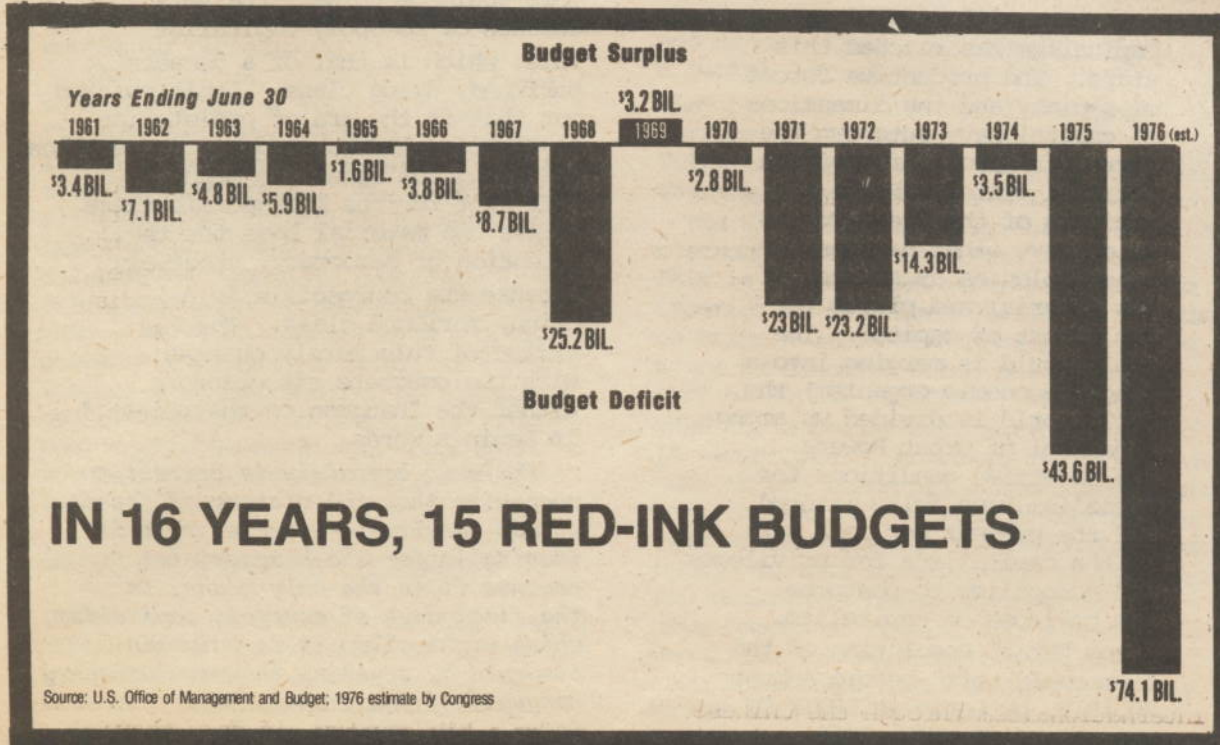
The financial and monetary crises which, since 1960, have characterized capitalist economic crises are simply one expression of the general crisis of imperialism.

### GENERAL CRISIS DEEPENS

All six major economic crises since World War 2, as part of a dialectical process of development, can only be fully understood when viewed in the framework of imperialism's overall decline. With the increasing aggravation of the world's contradictions, the contradictions inherent to the individual capitalist economies have also been aggravated.

The basic contradiction of capitalist economy responsible for periodic crises of over-production (i.e. crises of the trade cycle)—between socialized production and private appropriation—has merged with the broader contradictions of the general crises which have caused imperialism's markets to shrink irreversibly. As the markets of imperialism shrink, cyclical crises have become more acute, the industries of the capitalist countries, particularly the U.S., have been operating more and more below capacity. The Keynesian methods of economic stimulation—deficit spending, arms expansion, war preparations, monetary inflation, etc., adopted by the bourgeoisie as the means of their salvation, no longer provide even the marginal and superficial relief they once did.

The period 1973-1975 saw a steep depression coupled with the worst inflation since the early 1950's. The economic upswing which looked like a recovery of the 1971-1972 crisis never reached its boom phase and collapsed after its peak in the first half of 1973. Through May 1975 the decline in industrial production from the peak in 1973 was 14.4% and capacity utilization (how much industry is being used) fell to 68.5% of its potential in the first quarter of 1975—both post-war records. The decline in real GNP has been both more prolonged and more profound than in previous crises, falling every quarter since the peak to a 7.7% drop.



While the material basis for the general crisis of capitalism resides in the political economy of the capitalist mode of production itself, and specifically in monopoly capitalism, today the crisis is an all around, general crisis, which finds its expression in all aspects of everyday life.

We have already mentioned the soaring unemployment, consumer prices, balance of payments deficits, trade imbalances, overproduction, under-utilization of labor and resources, etc. In addition, because politics is merely the concentrated expression of economics, the political arena of most capitalist countries in the last few years has been sailing on very troubled waters. For the first time, a President of the United States was forced out of office through popular protest. Everywhere corruption and scandal plague European governments. Housing, in all capitalist countries, falls drastically short of needs. In the U.S., 70 million people live in what is considered officially inadequate housing; 16 million people in France; well over one million in Italy; and in Britain, it is estimated that 130 thousand people die annually because of very bad housing coupled with severe poverty. Culturally, all capitalist countries are plagued by the extensive development of pornography and sadism.

Internationally, there can be little doubt but that the old alliances have fallen apart, and a fundamental realignment of forces is taking place, as a truly new economic and political order emerges. The recent developments in the U.N., starting with the admission of the People's Republic of China, the seating of the Palestine Liberation Organization, and other developments all attest to the dramatic changes that are taking place.

It is in this light, of the entire overall nature of the crisis, that we must understand the pitiful forecasts generated by bourgeois political economy for some kind of "recovery", while at the same time they speak of the need for "Americans to seriously reduce our living standards...." The chatter of recovery reminds us of the "light at the end of the tunnel" that U.S. strategists kept pointing to around Vietnam.

*Yet, even for the bourgeoisie almost at every turn the light begins to flicker as the inter-connection between the crisis of shrinking markets, the crisis of overproduction, the energy crisis, the currency crisis, the agricultural crisis, the housing crisis, etc. etc. all intertwine. The combination of the innumerable crises of capitalism results in the inability of the trade cycle to function normally, eliminating the boom phase altogether. Capitalism has seen its last big splurge. Since the second World War, we have been living in a world where the second hand is ticking off the last moments for 400 years of bourgeois rule. From that point on, the course for capitalism consists of nothing but the spiral of crisis, depression, recovery and crisis again, and again, and again.*

#### CRISIS BREEDS WAR

For the imperialist powers, the elimination of the boom phase is directly linked to the inability to discover any new markets. The demand for goods is the source of the rise of recovery and boom. However all factors, nationally and internationally, are working against

this possibility. The crisis must find a forced resolution to the contradictions which are ever present and continually growing in aggravation.

The U.S. not only suffers from a shrinking of its percentage of the world market but is suffering a decline in its share of the industrial production. As Lenin said, in the epoch of imperialism, the development of the capitalist countries "not only becomes in general more unequal, but the inequality appears particularly in the rottenness of the countries that are richer in capital." The desparation of the bourgeoisie in times like these knows only one forced resolution of its crises: the forced redivision of the world. "Any other basis under capitalism for the division of spheres of influence, of interests, of colonies, etc, than a calculation of the strength of the participants in the division, their general economic, financial, military strength, etc, is inconceivable." (IMPERIALISM, THE HIGHEST STAGE OF CAPITALISM, V.I. Lenin, FLP, 1973, p. 144).

For the bourgeoisie of the two superpowers, imperialist war is the only "resolution" to the crisis, as they lock horns in a battle to the death for the economic redivision of the world.

There can be no denying that the two superpowers are the greatest threat to the people of the entire world. Their fleets patrol the waters of the entire globe. They stockpile hundreds of thousands of nuclear weapons. They operate vast underground espionage rings in order to subvert and interfere in the internal affairs of every country in the world. With every pretense of "detente" they take one more concrete step toward war.

*Any tendency which seeks to belittle or under-estimate the danger from both superpowers, must be exposed and combatted. Their is only one item on their shopping list, and that is imperialist war. It is not a matter of policy, but the inevitable result of the nature of the social systems in the U.S. and the U.S.S.R.. In this contention, Soviet social-imperialism, as the rising imperialist power is the main protagonist for imperialist war. Whether it is their missiles aimed at the People's Republic of China, their arms build-up in the European arena, their fleets in the Indian Ocean, their stockpiling of chemical and biological warfare materials, their political or economic interference in second or third world countries--wherever they pretend to stretch out a hand of "friendship", it must be turned back at every cost.*

The great teacher Lenin pointed out that:

*"Modern war is born of imperialism. Capitalism has reached this stage. The productive forces of society and the dimensions of capital have outgrown the narrow framework of separate national states. Hence the striving of the Great Powers to enslave other nations, to seize colonies as sources of raw material and places for the export of capital. The whole world is merging into a single economic organism; the whole world is divided up among a handful of Great Powers. The objective conditions for Socialism have fully matured and the present war is a war of the capitalists for privileges and monopolies to postpone the collapse of capitalism. (From "Draft Resolution of the Zimmerwald Left" before August 20, 1915, by Lenin in LENIN ON WAR AND PEACE, FLP, 1960, p. 24).*

#### IMPERIALISM BREEDS FASCISM

*It is the moribund, decadent, decaying nature of imperialism which leads to imperialist war. Similarly, it also leads to fascism under monopoly capitalism. Fascism, as comrade Dimitrov, chairman of the Communist International in 1935, described it is the "open, terroristic dictatorship of the most reactionary, chauvinist elements of monopoly capitalism."*

In the U.S., fascism is the domestic arm of bourgeois reaction, just as imperialist war is the international arm of bourgeois reaction. The principal aim of fascism is to destroy the revolutionary vanguard of the proletariat and its leading forces, the communists. This is essential in order to wage a successful imperialist war, and stem the tide of proletarian revolution.

In investigating the understanding of the international communist movement, and in particular comrade Dimitrov and comrade Lenin, it is clear that fascism must not be seen as some qualitative development, but is clearly only a quantitative advance in the method of rule of the bourgeoisie. The full scale implementation of fascist rule reflects the failure of the carrot and priest approach, the bankruptcy of parliamentarism, social democracy, and all the tools of bourgeois democracy. In the words of the Communist International, it reflects the "adoption" of "new" methods and forms of administration. Fascism is a system of all around "direct dictatorship", no longer cloaked by the veil of bourgeois democracy.

Fascism is employed by the bourgeoisie precisely in order to "intercept the disappointed masses as they leave the old bourgeois parties. But it impresses these masses by the severity of its attacks on bourgeois governments and its irreconcilable attitude toward the old bourgeois parties." (Dimitrov, THE UNITED FRONT AGAINST FASCISM, Gamma, p.8).

"Fascism adapts its demagogy to the national peculiarities of each country, and even to the peculiarities of the various social strata of each country." (op. cit., p. 8). It is interesting to note that the Communist International pointed out that in the mid-1930's, "It is a peculiarity of the development of American fascism that at the present stage it appears principally in the guise of an opposition to fascism, which it accuses of being an 'un-American' tendency imported from abroad." (op. cit., p. 17).

It would be a tragic error to view fascism as simply the day when the tanks appear on the streets. This would be to deny the very essence of monopoly capitalist rule, which is that of a decadent, moribund, dying class. Lenin pointed out that in the era of proletarian revolution, the bourgeoisie is reaction all along the line. He meant by this that for the bourgeoisie there exists no material base for the extension of democracy, precisely because the bourgeoisie is a dying, moribund class. The method of rule merely changes with the concrete situation, either the "hangman or the priest," in Lenin's words.

*While it certainly is correct to recognize that the victory of fascism is not inevitable--fascist rule is inevitable for the bourgeoisie, because it is the only means, in the final days of monopoly capitalism, which might allow it to maintain its rule by crushing the revolutionary vanguard of the proletariat. It is only proletarian revolution which can prevent fascist rule in the U.S.*

While the victory of fascism is not inevitable, even such a victory must be seen as a temporary victory for the bourgeoisie. For fascism is both a result of the general crisis and decay of capitalism, and contributes to the further decay and parasitism of capitalism. Even under fascism, the bourgeoisie gives rise to "its own gravedigger." What is inevitable, is the victory of socialism, as Marx, Engels, Lenin, Stalin, and Mao Tse-tung point out.

Fascist rule by the bourgeoisie is not new in the U.S., as elsewhere. Historically, the most advanced elements of the working class struggle have always known the open terroristic dictatorship of monopoly capitalism, such as the Palmer Raids in the U.S. in 1919.

The Albanian Telegraphic Agency stated that, in essence, "the facts clearly reveal that bourgeois democracy is in reality the savage violence of the bourgeoisie against the working masses. It guarantees the 'freedom' of the ruling class and its revisionist servants to use every means to suppress the struggle of the working class and the Marxist-Leninist forces..." (Albanian Telegraphic Agency, Sunday, March 21, 1976, p. 5) Fascist violence is not some special exception for the bourgeois dictatorship, but a component part of the dictatorship itself.

The most obvious example of the open terroristic dictatorship of the bourgeoisie is oppression of nations, particularly the exploitation and oppression of the Black Nation in the Black Belt South, the Chicano people, the Native American peoples, and all oppressed minorities. The Black masses of the Black Belt have suffered under various forms of repressive rule for years. Jim Crow is nothing but fascist type of rule by a different name.

The conditions under which the bourgeoisie is compelled to launch a reactionary offensive against the working class were described by the Comintern: "instability of capitalist relationships; the existence of a considerable declassed social element, the pauperization of a broad stratum of the urban petty bourgeoisie and of the intelligentsia; discontent among the rural petty bourgeoisie and, finally, the constant menace of mass proletarian action." (PROGRAM OF THE COMMUNIST INTERNATIONAL, 1928, p. 24).

We urge all friends and comrades to consider these conditions, and to consider the concrete conditions in the U.S. Of all these factors, the aspect which is least prepared remains the "constant menace of mass proletarian action," which is the result today of the lack of a vanguard communist party. As the fusion of the workers' and communist movement proceeds, winning the advanced and uniting Marxist-Leninists, the "constant menace of mass proletarian action" will certainly increase.

In summation, fascist rule is the constant means of rule to suppress the most advanced forms that the working class movement and national-liberation movement takes. Its complete and all round implementation is taken as a last resort by the bourgeoisie, the illusion of bourgeois democracy is the preferred means of bourgeois dictatorship. With the deepening of the second stage of the general crisis in the U.S., fascism will be required by the bourgeoisie in order to attempt to crush the growing workers' and communist movement, and successfully wage an imperialist war.

#### OPPOSE ALL BOURGEOIS LIEUTENANTS

The main ground work for the fascist offensive by the bourgeoisie is now being prepared by the special militant fascist organizations (such as the Posse Comitatus, ROAR, the Minutemen, etc.), the labor aristocrats and trade

union bureaucrats, the revisionists and the social-democrats.

There is little doubt about the nature of such fascist type groups as the KKK, ROAR, etc. But, there should be no mistaking the fact that the rise of social-democracy in the U.S. is a proto-fascist movement. The Comintern Program of 1928 clearly describes the counter-revolutionary nature of social-democracy:

In its systematic conduct of this counter-revolutionary policy, Social-Democracy operates on two flanks: the *Right* wing of Social-Democracy, avowedly counter-revolutionary, is essential for negotiating and maintaining direct contact with the bourgeoisie; the *Left* wing is essential for the subtle deception of the workers. While playing with the pacifist and at times even with the revolutionary phrases, "Left wing" Social-Democracy in practice acts against the workers, particularly in acute and critical situations (the British I.L.P. and the "Left" leaders of the General Council during the general strike in 1926; Otto Bauer and Co., at the time of the Vienna uprising), and is, therefore, the most dangerous faction in the Social-Democratic parties. While serving the interests of the bourgeoisie in the ranks of the working class and being wholly in favor of class cooperation and coalition with the bourgeoisie, Social-Democracy, at certain periods, is compelled to play the part of an opposition party and even to act as if it were defending the class interests of the proletariat in its economic struggles, in order to win the confidence of a section of the working class and thus be in a position the more shamefully to betray the lasting interests of the working class, particularly in the midst of decisive class battles.

The principal function of Social-Democracy at the present time is to disrupt the essential fighting unity of the proletariat in its struggle against imperialism. In splitting and disrupting the united front of the proletarian struggle against capital, Social-Democracy serves as the mainstay of imperialism in the working class (PROGRAM OF THE COMMUNIST INTERNATIONAL, 1928, p. 23).

#### COUNTER-REVOLUTIONARY SOCIAL-DEMOCRACY

In Europe, in particular, counter-revolutionary social-democracy has made considerable headway in recent years. In the last ten years, ten social-democratic heads of government have gained power, all tied together by the Socialist International, containing some 57 social-democratic parties, usually calling themselves socialists, such as the large Socialist parties of France and Japan. Under the name of either a Social Democratic or Labor Party, they now reign in Austria, Denmark, Germany, Great Britain, Israel, Netherlands, Norway, Singapore, Sweden, Venezuela and several other countries.

The U.S., historically, has not had a strong social-democratic movement. This is because the super-profits from imperialism have been utilized in order to bribe a labor aristocracy and trade union bureaucracy which has taken the role of social-democracy, without the need for a social-democratic movement. In recent years, however, the effectiveness of the trade union bureaucrats has been increasingly stripped away by the rise of the workers' and communist movement. In this context, the social basis for fascism is being prepared by the development of several new petty bourgeois, social-democratic tendencies, such as the New American Movement, the Hayden campaign, the National Interim Committee for a New Politic and others. Each, in their own way claim to be

"socialist" but not "communist", contribute to the revisionist chorus against a "Leninist and Stalinist party" and so on. With the disaffection from the old bourgeois parties, these forces must not be under-estimated, must be exposed and opposed at every turn.

#### OPPOSE MODERN REVISIONISM

In league with the social-democrats are the modern revisionists, who have been able to score significant victories in recent years, particularly in France and Italy. Led by Enrico Berlinguer, heir of Togliatti, the revisionist communist party of Italy already runs the cities of Milan, Genoa, Bologna, Florence, Venice, Naples, Siena and is fast on its way to gaining the Mayor of Rome. Under the banner of a "historic compromise," the Italian revisionists have sought to share power with the Christian Democrats and Socialists. If this is achieved - and it may not be just a case of Italy - the Soviet revisionists may well succeed in gaining a beachhead in countries which, traditionally, have been the terrain of the other superpower, the U.S. This would be a very significant advance for Soviet hegemony being expanded in Europe.

Whether the revisionist parties of Europe conceal their ambitions behind reformist rhetoric, pose as radicals or preach "independence" from Moscow, their fundamental aim and objective is the same, to represent the bourgeois interest and the bourgeoisie as a class. In countries such as Italy, France, Portugal, all Scandinavian countries and others, the modern revisionists have been making substantial advances in the last years, which has often taken the form of open violence against the workers' and communist movement. The bourgeoisie and the revisionists have allied, as is natural, in violent repressive attacks against the workers' movement in general and Marxist-Leninists in particular in Germany, France, Italy and elsewhere. These attacks are no doubt an indication of what is in store for Marxist-Leninists in the United States.

#### COMMUNIST AND WORKERS' MOVEMENTS ADVANCE

The rise of militant fascist organizations, social-democracy and revisionism in the capitalist countries are all reflections of the necessity of the bourgeoisie to seek to divert and suppress the growing communist and workers' movements in all countries. Life confirms every day to the masses that the various genuine Marxist-Leninist organizations and parties which have arisen are leading the proletariat in uncompromising struggle against capital and are the true defenders of the historic mission of the working class.

While the subjective factor in all capitalist countries lags behind the needs of the spontaneous workers' struggle, Marxist-Leninists are closing the gap as the fusion between the workers' and communist movements advances.

In all capitalist countries the effect of the second stage of the general crisis of capitalism, together with the rising leadership of the genuine Marxist-Leninist forces, has witnessed a broad extension of the class struggle, and the growing influence of the working class among other strata. The pace and intensity of the working class struggle becomes stronger and deeper. The class struggle every day grows more mature, takes on an openly and explicitly more political character, is building greater unity, and is preparing for the final and decisive clash, in which the proletariat will smash the bourgeois dictatorship and replace it with the dictatorship of the proletariat.

## 7. The Black Nation and the General Crisis

In the U.S., the formation and oppression of the Black Nation in the Black Belt South has proceeded over some 400 years. The nation was built upon the foundation of chattel slavery, and forged by the violent betrayal and suppression of the agrarian revolution after Reconstruction. This entire period is marked by the most brutal forms of oppression and genocide, and the constant resistance and rebellion of Blacks taken out of Africa, in passage, on the plantations and as part of the multi-national proletariat.

With the era of proletarian revolution, the subjugation and oppression of nations is at the very heart of imperialism. Monopoly capitalism requires the oppression of nations and the logic of global hegemony. National oppression is born out of the nature of monopoly itself.

*In the period of the General Crisis of capitalism, all the moribund, decadent and decaying aspects of monopoly capitalist rule find their most savage expression in the exploitation and oppression of the Black Nation in the Black Belt.* It is not the case that the General Crisis effects everyone the same. The exploitation and oppression resulting from the General Crisis is qualitatively harsher on the people of the Black Nation, and will become harsher as the crisis deepens.

### BASIS OF SPECIAL OPPRESSION

In the period of the second stage of the General Crisis of imperialism, since World War II, there has been a constant shrinking of the imperialist market. As a result, the U.S. bourgeoisie has increased its plunder and exploitation of the oppressed Black Nation. Since World War II, capital has been heavily exported to the Black Nation in the form of heavy and semi-heavy industry, agri-business, ports and military installations. *The industrial development of the South since World War II is a reflection of the necessity confronting the U.S. bourgeoisie to find new markets, raw materials and unorganized labor, and to intensify the exploitation and domination of old ones. Rather than industrialization liquidating national oppression, as every opportunist suggests, it merely serves to further intensify the exploitation and oppression, and increase the absolute impoverishment of the Black Nation.*

The basis for the qualitative difference in effect of the crisis upon the Black Nation resides in the underlying feudal character of the South, resulting from the failure of the agrarian revolution. This is manifested in the extent to which the Black Belt remains rural, as the following chart indicates:

STATE	% NON-WHITE	% RURAL
Alabama	26.4%	41.6%
Arkansas	18.6	50.0
Georgia	26.1	39.7
Louisiana	30.2	33.9
Mississippi	37.2	55.5
S. Carolina	30.7	52.4

(SOURCE: Gathered from HEALTH CARE IN THE SOUTH, A STATISTICAL PROFILE, Southern Regional Council, June, 1974).

### CONDITIONS IN THE BLACK BELT

The consequences of the lingering feudal institutions are reflected in the poverty situation in the eleven southern states. In 1970, officially, there were 27 million poor people in the U.S., of which ten million lived in the eleven states of the South. Put in other terms, while the South contains 25% of the country's population, it contains 38% of its poor. This means a poverty rate of 21%, as compared to 14% for the U.S. as a whole. In short, the South's poverty rate was one and one-half times that of the rest of the country.

When the poverty rates by race and sex are compared for the South in 1970, there is a striking contrast between Black and white populations:

FAMILY HEAD	% URBAN	% RURAL
White male	7%	16%
White female	27	36
Black male	25	47
Black female	61	71

(SOURCE: THE OTHER TWENTY PERCENT, Southern Regional Council, 1974, p.8).

Not only is the difference between Black and white striking, but the triple oppression of Black women becomes stark; 71% of rural Black women who are family heads live in poverty!

For Mississippi, these figures are even more stark.

FAMILY HEAD	% URBAN	% RURAL
White male	8.2%	19.3%
White female	28.1	39.8
Black male	38.2	63.0
Black female	73.9	80.9

(SOURCE: THE OTHER TWENTY PERCENT, Southern Regional Council, 1974,).

In the rural South, poverty takes on grotesque proportions. Almost half of the Southern farm laborers and one quarter of farm owners live below the poverty line. For Blacks, the poverty rate for farm owners is about the same as for farm laborers.

In comparing education, about one-third of poor white women has a high school education; of white males, over one-fifth; of Black females over one-sixth; and of Black males, only one-tenth of those of the rural South have a high school education!

Also, in terms of earnings, there is a wide gap between the unionized and non-unionized workers in the South, considerably greater than the rest of the country. This is particularly important given the fact that almost the entire South remains disorganized.

And finally, the genocidal nature of bourgeois terror in the Black Belt is clear when we realize that if the infant mortality rate in the South had been equal to the national average in 1971,

2,383 Southern babies would not have died—if Black infant mortality rates were comparable to the national average, 3,408 Black children would have survived the first year of life. (HEALTH CARE IN THE SOUTH, Southern Regional Council, 1974, p.5).

While this is not a comprehensive picture of the fascist terror inherent in the imperialist oppression of the Black Nation, it illustrates the qualitative difference between the proletariat as a whole and the oppressed Black Nation.

### DENIAL OF DEMOCRATIC RIGHTS

*The material oppression of the Black Nation is the basis for the denial of democratic rights in the entire multi-national state.* Here, again, significant differences are everywhere apparent. In the U.S., Blacks constitute less than 10% of the population of the country, yet 33% of all arrests for property crimes are Blacks, and 53% of arrests for major violent crimes are Blacks. As is commonly known, unemployment among Black workers is at least twice that for the proletariat as a whole. For Black women, rates are probably four times the average, and for Black teenagers, perhaps five times as high.

With the soaring consumer prices, it must be recognized that the gap between Black and white income will increase. While the "average" white family of four earned an income of \$10,236 in 1970, a Black family earned just 61% of that income, or \$6,279.

One other vivid expression of the qualitative difference between whites as members of the oppressor nation and Blacks of the oppressed nation is the significantly higher death rates for Blacks from numerous causes. In 1969, for every 100 whites who died from the following causes: 122 Blacks died of heart disease; 125 Blacks died from cancer; 143 Blacks died from accidents; 187 Blacks died from influenza; 209 Blacks died from cirrhosis of the liver; 470 Blacks died from tuberculosis. These figures from 1969 no doubt underrate the reality, since one of the effects of the General Crisis is budgetary cutbacks for medical facilities, which invariably effect Black and other oppressed peoples the hardest.

*The deepening of the General Crisis of capitalism will mean intensified terror and fascist rule in the Black Nation, as the bourgeoisie intensifies its exploitation of the South in order to compensate for its loss of "foreign" markets. In short, the Crisis of capitalism will hit hardest against the oppressed Black masses of the Black Belt, and against the poor whites as well.*

*Any struggle against capitalism which does not recognize this fact, does not actively fight for the right to self-determination for the oppressed Black Nation, will not be anything but national chauvinist.*

## 8. Cast Away Illusions, Prepare for Struggle

IN THE GENERAL CRISIS OF CAPITALISM AND PROLETARIAN REVOLUTION we have attempted to begin to present an examination of the concrete process of historical development as the basis leading toward a comprehensive analysis of the crisis and a class analysis of this country. Concrete analysis of concrete conditions is the life and soul of revolutionary Marxism-Leninism. Marxism-Leninism places before us the necessity to explain all the complex phenomena in the course of the revolution

in an all-round and concrete manner in order to get to the essence of things. This is the basis for us to be able to size up the current situation and our tasks, remain sober minded, and maintain a high revolutionary spirit.

We recognize that whatever the era, past or present, the revolutionary masses constitute the center of the era, and determine its main direction and development. All history advances amid the struggle between contradictions. The basic contradictions in

human society are those between the relations of production and the forces of production and between the superstructure and the base. These contradictions find their expression in the class struggle. The General Crisis of capitalism is an expression of these basic contradictions, and it is on the basis of the sharpening of these contradictions that both war and revolution arise.

## PREPARE FOR STRUGGLE

While the history of the monopoly stage of capitalist rule has proven that revolutionary forces advance against every manner of obstacle, we at the same time recognize that the development of history and of revolution is a very torturous and complicated road, exactly because each revolution represents the life and death struggle in which one class overthrows another. Proletarian revolution is particularly torturous, because the proletariat seeks to wipe out the capitalist system and with it all forms of exploitation and oppression.

It is the nature of the bourgeoisie to "make trouble, fail, make trouble again, fail again..." Everywhere the two Superpowers conform to this historical lesson, everywhere they contend for the economic redivision of the world--in Europe, in Angola, in Egypt, in the Indian Ocean, etc.

With the growing intensity of class struggle, it is particularly important to recognize that all reactionary forces on the verge of extinction will invariably put up a last ditch struggle against revolution--as the Superpowers have demonstrated. Marxist-Leninists, however, are not deluded by a single event, appearance or a small period of time, but look to the underlying historical trend. Marxist-Leninists recognize that whatever runs counter to the objective development of history is doomed to extinction.

To grasp the general trend of historical development, we start by recognizing that it is the working class which (1) holds the central position in the

taking into consideration first and foremost the fundamental distinctive features of different 'epochs' (and not of individual episodes in the history of different countries) can we correctly work out our tactics...." (LONG LIVE LENINISM, FLP, 1960, Lenin quoted from "Under a False Flag", p.13).

Struggle over the nature of the epoch and which class occupies the central place in modern history has always been a fundamental question over which Marxists and opportunists differed. While old revisionists attempted to prove Marxism outdated, modern revisionism seeks to prove Leninism outdated. As the 1957 Moscow Declaration correctly stated, "The revisionists try to kill the revolutionary spirit of Marxism, to undermine faith in socialism among the working class and the working people in general".

To hold that "we cannot now know what the main trend is in the world;" let alone to hold the arch reactionary line that "reaction and war are the main trend in the world", can only serve to dampen the revolutionary spirit of the masses, underestimate the historic mission of the proletariat and provide aid and comfort to the bourgeoisie.

To promote the view that "there are two contending trends in the world", that "war is the main trend in the world today", or that "we cannot know what the main trend is today" is to deny the fundamental teachings of Leninism and the nature of the four basic contradictions in the world.

The basis of this error is the view that war and revolution are mutually

(WHENCE THE DIFFERENCES, FLP, p.303).

There are two ways that comrades can approach the question of what is the main trend. One is to play around with vague and ambiguous phrases, which cover up the essence of the epoch and the main trend in the world. The other is to make a concrete analysis of the specific circumstances, class contradictions and the General Crisis, to utilize scientific definitions and to clearly present the nature of imperialism and proletarian revolution in the present epoch.

As the Chinese comrades have stated, "We are living in a great new epoch in which the collapse of the imperialist system is being further accelerated, while the victory of the people throughout the world and their awakening are constantly advancing." (LONG LIVE LENINISM, FLP, 1960, p.52).

*This new epoch, the Chinese make clear, began with the Great October Revolution, the first great victory of proletarian revolution which swept in the General Crisis of capitalism.* (See WHENCE THE DIFFERENCES, FLP, p.248; ON CONTRADICTION, SW, p.314).

The nature of the General Crisis and the nature of the present epoch is one in which all of the contradictions of capitalism are sharpening irreversibly. The changes that have taken place in the world since 1917 have proven conclusively that imperialism is rotting daily while the forces of socialist revolution and national-liberation continue to achieve greater and greater victories. The main character of the present epoch is that

## On The Question Of The Present Epoch

"THIS QUESTION... IS NOT SIMPLY OF A THEORETICAL IMPORTANCE, BUT IT IS OF A GREAT PRACTICAL IMPORTANCE, BECAUSE FROM THE CORRECT ASSESSMENT OF THE CHARACTER OF THE EPOCH DEPENDS THE DEFINING OF STRATEGY AND TACTICS OF THE INTERNATIONAL COMMUNIST MOVEMENT, OF ANY PARTICULAR PARTY".

(ENVER HOXHA, 21ST PLENUM OF THE C.C. OF THE PLA, 1960).

epoch of proletarian revolution, (2) determines the main content of the epoch, and (3) determines the main direction of its development. Without recognizing this, correct proletarian strategy and tactics are impossible.

Certain friends in our movement have recently advanced the view that "revolution is no longer the main trend in the world" and that there are now "two contending trends", while some have gone so far as to suggest that "war and reaction is the main trend in the world today". This mistaken view runs contrary to dialectical historical materialism, and is rebuked every day by the large masses of the world's people. To understand clearly that revolution is the main trend in the world, we start with Leninism on the nature of the epoch.

"...We are speaking here of big historical epochs; in every epoch there are, and there will be, separate, partial movements sometimes forward, at other times backwards, there are, and there will be, various deviations from the average type and average tempo of the movements.

We cannot know how fast and how successfully certain historical movements of the given epoch will develop. But we can and do know which class occupies a central position in this or that epoch and determines its main content, the main direction of its development, the main characteristics of the historical situation in the given epoch, etc.

Only on this basis, i.e., by

exclusive opposites, rather than that they arise out of the same conditions, the era of proletarian revolution. To comrades who hold this view, the MLOC would like to point out the fact that both October Revolutions--the Russian and the Chinese--occurred within the context of imperialist war. *The conditions of imperialism give rise to both revolution and war. Regardless of which arises in what order, that revolution is the main trend is determined by the objective nature of the epoch.*

It is the objective processes which, in the final analysis, determine the development of the whole of society. (See Stalin, THE POLITICAL STRATEGY AND TACTICS OF THE RUSSIAN REVOLUTION, CW, p.63). It is the role of the subjective factor to accelerate or retard this development in favor of revolution.

"The necessity for social change calls forth revolutionary consciousness in men. Before the historical conditions have made a change necessary, no one can arbitrarily pose the task of revolution or make a revolution, however hard he tries. But when the historical conditions have made a change necessary, revolutionaries and vanguard fighters of the people come forward who dare to denounce the reactionary ruling classes and dare to regard them as paper tigers. And in everything they do, these revolutionaries always raise the people's spirits and puncture the enemy's arrogance. This is historical necessity, this is the inevitability of social revolution."

it is the proletariat as a class which determines its main content and the main direction of its development.

This has been true of the present epoch as a whole in spite of the relative stabilization of capitalism after World War I. This is what Comrade Stalin had to say concerning the question of stabilization:

"Zinoviev thinks that once there is stabilization, the cause of revolution is lost. He does not understand that the crisis of capitalism and the preparation for its doom grow as a result of stabilization. Is it not a fact that capitalism has lately perfected and rationalized its technique and has produced a vast mass of goods which cannot find a market? Is it not a fact that the capitalist governments are more and more assuming a fascist character, attacking the working class and temporarily strengthening their own positions? Do these facts imply that stabilization has become durable? Of course not! On the contrary, it is just these facts that tend to aggravate the present crisis of world capitalism, which is incomparably deeper than the crisis before the last imperialist war." (PLENUM OF THE C.C. and the C.C.C. of the CPSU(B), 1927, ON THE OPPOSITION, FLP, 1974, pp. 808-9).

Here Comrade Stalin addresses himself to those who fail to understand the determining character of a particular epoch, who base themselves on temporary phenomena and therefore make opportunist errors. Comrades, we must

oppose all mistaken thinking which would lead is to conclude, like Zinoviev, that "the cause of revolution is lost". The present world condition is one which is extremely favorable for revolution. Even the relative stability which Stalin describes ended long ago with the second stage of the General Crisis. Since World War II, the peoples of the world have swept forward in opposition to imperialism as never before. This not even the bourgeoisie can deny.

We have taken such concern for this question because it has proven to be, in practice, a vital question in determining the willingness and ability of revolutionary minded forces to oppose *both* Superpowers and opportunism, and their views on exactly what kind of support, what kind of friendship should be extended to national-liberation struggles.

The position that revolution is no longer the main trend in the world today leads logically to the conclusion that armed struggle will only increase the likelihood of war, which is to say that revolution is the cause of imperialist war. This is the line of Krushchovite revisionism.

While there must be no mistaking the fact that revolution is the main trend in the world today, an objective analysis of the second stage of the General Crisis of capitalist regimes recognizes that *both the factors for war and revolution are increasing--these factors are a result of the sharpening of the fundamental contradictions in the world.* On the one hand, we can observe the frenzied scurrying of the two Superpowers for hegemony, on the other hand we can see the historic advances made by the people of the third world, in particular, and also the second world and the proletariat of the capitalist and revisionist countries, against the two Superpowers.

Because the objective conditions are rotten ripe for revolution, it is the *task of the conscious element, the Marxist-Leninists, to prepare the subjective factor, which lags behind the objective demands of the revolution.* While a revolutionary situation does not yet exist in any of the capitalist or revisionist countries, the forging of genuine vanguard communist parties and their steady advances in leading the proletariat to battle against the bourgeoisie are big steps toward the development of a revolutionary situation.

The main content of our preparation, the key link in the revolutionary chain, is party building. The central task of reconstituting a vanguard party is a question of the fusion of the workers' and communist movements in the course of breaking ideologically, politically, and organizationally with opportunism, particularly right opportunism, modern revisionism and national chauvinism.

In order to lead the revolution to victory, our vanguard party must depend upon the correctness of ideological, political and organizational line. At this time, political line is key and theory is decisive.

### CAST AWAY ILLUSIONS

The struggle to break with opportunism ideologically, politically, and organizationally is a protracted and torturous struggle. The illusions of bourgeois ideology are not abandoned without intense class struggle. Over the last several years important ideological and political advances have been made in regard to party building, the Black National Question, and other questions. While we have identified our main class enemies, the bourgeoisie, labor aristocrats and trade union bureaucrats, revisionists and social democrats, our battle to oust these enemy agents from the midst of the working class ideologically, politically, and organizationally has really only just begun. As long as the proletariat is without its genuine vanguard communist party, our difficulties in carrying out this task outweigh the

favorable conditions. But this is bound to change.

In the U.S., we are moving toward a high tide of revolution, which, as Chairman Mao described the situation in China, "is like a ship far out at sea whose mast head can already be seen from the shore; it is like the morning sun in the East whose shimmering rays are visible from a high mountain top; it is like a child about to be born moving restlessly in its mother's womb." (Mao. SW, vol.1, "A Single Spark Can Start a Prairie Fire", p.117).

To steer a straight course, we must cast away particularly pernicious illusions spread by the monopoly capitalists and drive them out of the working class, illusions such as "boom", and "detente".

### RECOVERY?

From 1969 to 1970 world capitalism was shaken by its fifth economic crisis since the second World War. There was an 8.1% decline in industrial production lasting for fourteen months, over 10,000 business failures, and over five million workers left "officially" unemployed. After 1970, a "recovery" set in, which the bourgeoisie of the capitalist countries lauded to the skies as proof of the vitality of "modern capitalism"--right up until the bottom fell out again in the fourth quarter of 1973.

Since 1973, the capitalist world has been racked by its worst economic crisis since the Great Depression, but now the bourgeoisie is again speaking of "recovery" and the bright future ahead. Let us see what this "recovery" for capitalism actually means.

The relative stability of capitalism which existed for a time after World War I ended long ago and has given way to a period of revolutionary upsurge the world over. The result of this has been an extensive shrinking of the world capitalist market and an extreme sharpening of the capitalist contradiction between the productive forces and relations of production. The time between crises has grown shorter and shorter. The periodic crises of the trade cycle which have previously occurred once every ten years or so now descend every three or four years. The result, as the Albanian comrades have succinctly pointed out, has been the shortening of the trade cycle. Where previously there have been four phases--crisis, depression, recovery and boom--there are now only three. The "boom" phase of breakneck economic development and soaring profits has been eliminated for the bourgeoisie, with recovery leading directly back into deeper and more protracted crisis and depression. *Such a development is a clear demonstration of the moribund and decaying nature of imperialism--of the fact that the capitalist world system is nearing its doom at the hands of the international proletariat.*

The General Crisis of capitalism is an all-round crisis and effects all aspects of capitalist society. As the revolutionary struggles of the world's peoples continue to score success after success, the contradictions of capitalism will grow sharper and sharper, and economic crises will grow more and more profound.

The chanting of the sacred word "recovery" by bourgeois hacks cannot hide the realities of imperialism on its deathbed: Massive unemployment grows more "normal" every year with a return to "full employment" meaning a decline from the present 8.5 million unemployed to anything below six million workers out on the streets; Inflation has subsided to an annual rate of 9%, an "improvement" over the 13.2% of 1974; production utilization in industry remains at 25% below capacity. At this point even the bourgeoisie is forced to recognize the narrowing scope of the present economic upswing: "The most striking aspects of the recovery as here depicted are its slowness (by standards of earlier recovery periods) and its failure to gather strength in

the course of 1976." (THE Organization for Economic Cooperation and Development Observer, Nov.-Dec., 1975, p.5).

From the facts presented three things are clear:

(1) *What "recovery" there is from the present economic crisis will be limited.* The bourgeoisie themselves attribute the present upswing to an artificial rise in consumer demand resulting from last year's tax cuts and to a rise in demand due to a restocking of inventories which were allowed to run out during the crisis. Both of these factors are forecasted by the bourgeoisie to slacken in the course of 1976.

(2) *What the bourgeoisie considers "recovery" is no recovery for the working class.*

(3) *Whatever "recovery" is felt in the coming period will inevitably lead to even greater crisis.* As the Albanian comrades have stated, "this great crisis has just begun, the catastrophe will come later." **DETENTE?**

"Detente" is nothing more than a sorry charade to conceal the real preparations by the Superpowers for war. The Helsinki European Insecurity Conference (See COMMUNIST LINE #8 for analysis) last November was being conducted amidst pomp and circumstance at the same time that U.S./USSR contention over Portugal and Angola was escalating.

Lenin recognized that "the content of imperialist politics is 'world domination' and the continuation of these politics is imperialist war".

### PEACEFUL COEXISTENCE

In addition to the monopoly capitalists, the CPUSA, faithful puppet of the Soviet revisionists, preaches the reactionary line of the "peaceful transition to socialism," seeks to deny the antagonistic contradiction between the bourgeoisie and the proletariat, and leads the working class to slaughter, as in Chile. It is in Italy or France, for instance, that the objective and subjective unity of the social democrats and revisionists is most obvious.

### DRIVE LABOR LIEUTENANTS OUT

At the same time, the labor aristocrats and trade union bureaucrats (See COMMUNIST LINE #7 for analysis on labor aristocracy, trade union bureaucrats and trade unions) the main agents of the bourgeoisie in the working class, promote the bourgeois ideology that the bourgeoisie and the working class have common interests, that the solution to the crisis is electoral reforms, that the "fight for jobs" is the solution to the crisis for the labor movement, or that one nationality is taking jobs away from the other, one nation is taking jobs away from the others, etc. These reformist and chauvinist illusions must be resolutely opposed. Our stand against the labor aristocrats and trade union bureaucrats must, in Lenin's words, "become the pivot of our tactics in the labor movement".

### ONLY PROLETARIAN REVOLUTION WILL PREVENT WAR AND FASCISM

To reconstitute the vanguard communist party and lead the workers' movement against capital in the final days of moribund, decadent and decaying bourgeois rule, Marxist-Leninists must move to outline the tasks required by the working class in order to prevent imperialist war and the victory of fascism.

In general, the course to proletarian revolution requires three fundamental strategic tasks: party building, the united front, and armed revolutionary struggle of the proletariat. We are now in the period in which the key link in the revolutionary chain is party



building. This is the task which will move the entire chain of revolution forward at this time. Given the rapid development of the objective factors, it will be the ability of Marxist-Leninists to prepare the subjective conditions which will be decisive in the next few years, as to whether proletarian revolution will prevent imperialist war, or imperialist war will give way to revolution. In either event, it is the masses who will emerge victorious. To complete our preliminary presentation of the General Crisis it is important to speak briefly about the questions of preventing fascism and war.

## PREVENT ANY VICTORY OF FASCISM

Fascism comes about primarily

"because the working class, owing to the policy of class collaboration with the bourgeoisie pursued by the Social Democratic leaders, proved to be split, politically and organizationally disarmed, in the face of the onslaught of the bourgeoisie. And the Communist Parties, on the other hand, were not strong enough to be able, apart from and in the teeth of the Social Democrats, to rouse the masses and to lead them in a decisive victory against fascism." (Dimitrov, *THE UNITED FRONT AGAINST WAR AND FASCISM*, Gamma Publishing, p.10).

Comrade Dimitrov goes on to point out how "in a number of countries the necessary development of a mass fight against fascism was replaced by sterile hair splitting as to the nature of fascism 'in general,'" and here it goes to the point in our view, "and by a narrow, sectarian attitude in presenting and solving the actual problems of the party." (Op.cit., p. 12).

In the U.S. today, those who pursue a narrow, sectarian approach to uniting Marxist-Leninists and winning the advanced to communism, objectively play the role described by Comrade Dimitrov. (The views of the MLOC on this question are presented at length in *UNITE!*, Vol.2, No.2).

The Communist International specified four tasks required to prevent fascism; while these have been pointed out previously in *UNITE!*, Vol.2, No.1, it is important to raise them again.

(1) "Whether the victory of fascism can be prevented depends in the first place on the militant activity displayed by the working class itself....

(2) Second, it depends on the existence of a strong revolutionary party....

(3) Third, it depends on whether a correct policy is pursued by the working class toward the peasantry and the petty bourgeois masses of the towns....

(4) Fourth, it depends on whether the revolutionary proletariat exercises vigilance and takes action at the proper time." (Op. cit., p.12).

In learning from the international experience of the proletariat, we recognize that there have been numerous occasions when the proletariat has been unable to prevent the temporary victory of fascism. We carefully consider each of the four tactical tasks required to prevent fascism, work out tactical details as to correct line, plan and policy to develop each, in accord with the concrete conditions of the United States.

## COMBAT IMPERIALIST WAR

The struggle against the victory of fascism must go hand in hand with the struggle against imperialist war.

In the broadest sense, the struggle against imperialist war is the struggle for the complete destruction and abolition of capitalism on a world-wide

basis. This is our proletarian internationalist duty. This struggle must be directed toward several fronts in the forthcoming years. They include:

(1) The consistent, relentless, uncompromising exposure, and mobilization of the broad masses of the people of the U.S. against both Superpowers. While the nature of U.S. reaction is exposed daily through its own actions, it is increasingly recognized by the masses of workers and other strata around the world, that our tasks in exposing and struggling against Soviet social-imperialism have just begun. We must patiently explain the restoration of capitalism and Soviet social-imperialism to the masses. A massive campaign of education, propaganda and agitation will be required to carry out this task in the years ahead. This must be carried out while at the same time preventing any development of anti-communist views among the workers, by carefully distinguishing between the USSR and the Peoples Republic of China. Our objective is to achieve a recognition of the imperialist nature of the Soviet Union and its reactionary role as the superpower rival of U.S. imperialism. At the same time, genuine solidarity must be built between the U.S. working class and the masses of Soviet people struggling against bourgeois fascist reaction in the USSR.

(2) Actively take up the task of building the broadest possible united front against the two Superpowers on an international basis. This requires actively building ties between the proletariat and Marxist-Leninists of all the countries of the second and third worlds, and even with the advanced underground detachments of the proletariat in the USSR.

(3) Opposition and struggle against all imperialism, not just the two Superpowers, but also against Japanese, French, German imperialism and others. On every front, organs of imperialist domination, whether NATO, the Warsaw Pact, Comecon, the International Monetary Fund, etc., must be opposed. All aspects of imperialist domination must be exposed and destroyed.

(4) Concrete material support for all national-liberation movements which oppose imperialism, and all progressive and democratic forces who objectively oppose imperialism. While strong ties have been built on many fronts between the U.S. and third world people, these ties must be deepened and extended on the basis of genuine proletarian internationalism, not moralism or liberalism.

(5) Consistent and deep-going mobilization of the broad masses in support of all genuine socialist countries, including the Peoples Republic of China, the Peoples Republic of Albania, the Democratic Peoples Republic of Korea, the Democratic Republic of Vietnam, and the Socialist Republic of Romania. In the period ahead of sharpening class struggle, we must anticipate that the imperialist bourgeoisie of the world will seek to exert every possible external pressure to topple the dictatorship of the proletariat in all socialist countries, and to attack the outstanding international leadership of the worlds' peoples by the Peoples Republic of China and the People Republic of Albania. It is the proletarian internationalist duty of the workers of all countries to resist all such attempts on the part of the bourgeoisie and its agents and to resolutely defend the dictatorship of the proletariat where it does exist.

(6) Complete and total self-determination for the Black Nation, full internal state sovereignty, and the confiscation of landed property from the white landowners.

(7) Reconstitution of a vanguard communist party--our central task. Uniting Marxist-Leninists and winning over the advanced on the basis of correct political line--these are

the factors which hinge on the success of our work in the class, during the present period, and the accomplishment of the tasks outlined above. The successful mobilization of the broad masses of workers in the U.S. necessitates the existence of a vanguard which has broken with opportunism, which is united on the basis of correct political line, and which is organized to implement that line in the process of providing leadership.

All genuine revolutionaries must carefully consider the changing world situation, conduct concrete analysis of concrete conditions, unite all those that can be united, seek to take advantage of all contradictions among our enemies and utilize all means of struggle necessary against the enemy; legal, illegal, clandestine and open.

In the process of escalating this struggle, we must be prepared for the possibility that the U.S. working class may not be able to prevent imperialist war. In such a case our proletarian duty is then to turn imperialist war between the Superpowers into civil war between the proletariat and the bourgeoisie. The struggle against imperialist war, therefore, does not end with the outbreak of war but rather becomes more intensified. Such a struggle thoroughly rejects such pacifist forms of resistance as boycotting war and demands organization within the armed forces themselves. Lenin was clear that

"only a revolutionary party which has been built up beforehand, is well trained and has a good illegal apparatus can successfully wage a struggle against war, and also that the means of combatting war are not a strike against war, but the formation of revolutionary nuclei in the combatant armies, their training for the purpose of bringing about revolution". (Lenin, "The Question of Combatting War", SW, vol.10, p. 315).

In conclusion, only proletarian revolution will prevent imperialist war and the temporary victory of fascism. Even if reaction should emerge in the immediate period, it will not endure. The masses of workers and oppressed people will surely triumph. The second stage of the General Crisis of capitalism reflects the thoroughly moribund, decadent and decaying nature of imperialism; it is the clearest indication of the historical destiny outlined by Karl Marx, that the bourgeoisie will create its own gravediggers, that the proletariat has nothing to lose but its chains.

All opportunist tendencies which belittle or underestimate the strength and historical mission of the people, the dedication and determination of the advanced proletarian fighters to carry out this historic mission, must be exposed as reactionaries. On the other hand, only honest, genuine knowledge of the objective and subjective conditions can provide the basis for correct strategy and tactics.

For long over 200 years the working people of this country have been preparing, through all kinds of conditions, for the battle which is approaching. Illusions are being cast away, as chaff in the wind. The working class is preparing to fulfill its world historic mission, which, as Comrade Stalin indicated, is "of a decisive character from the point of view of the world revolutionary movement." The future belongs to the working class. We have a world to win.

