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In this issue:

**New Features in the International
Situation**

—R. Palme Dutt

The Middle East Today

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Curb the U.S. aggressors!

To the naked challenge of ruthless imperialist aggressors the progressive forces throughout the world are responding with growing demands and insistence to put an end to the U.S. aggression in Vietnam, withdraw the U.S. troops from Vietnam, and for ending the bombing of North Vietnam.

A call issued by the World Peace Council to hold over May 23-30 an International Week of Action by all friends of peace in support of the people of Vietnam has met with wide response. In all countries Communists on their part are developing the movement of solidarity with the people of Vietnam, and taking concrete actions to help them repel the U.S. imperialist aggression. Halt the imperialist intervention in Vietnam — this call resounds all over the world!

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WORKERS OF ALL
COUNTRIES, UNITE!

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Vital contribution to European peace and security

WALTER ULBRICHT

TWENTY YEARS HAVE passed since the defeat of Hitler fascism. The commonwealth of socialist countries has become the main barrier to imperialist aggression and reaction, an important factor for preventing a new world war. The defense potential of the socialist states, their Warsaw Treaty, their common purpose on the international arena constitute a vital contribution to safeguarding peace in Europe and throughout the world.

On January 19 and 20 the Political Consultative Committee of the Warsaw Treaty met in Warsaw. The meeting was made necessary by the new and dangerous developments in Europe arising from the atomic armament policy, the aggressive "forward strategy" and the preparation for a "camouflaged" war by West Germany. *The intention to set up in one form or another a NATO multilateral nuclear force and especially West Germany's striving for nuclear weapons, for a say on their use, are endangering European peace. Therefore measures have to be taken to counter this danger.*

The Warsaw meeting condemned the plans now being mooted for West German participation in the MLF and agreed that effective steps were needed to foil these plans.

Our appraisal of the new situation as set forth in the memorandum of the GDR delegation to the Warsaw session fully coincides with the views of the Soviet and other delegations. In our memorandum we set forth in detail the military-strategic doctrine of the Bonn government as the expression of its revanchist aims with regard to the socialist countries and pointed to the ever growing influence of the West German government on the planning by its NATO allies who have

atomic weapons, of the targets selected for an atomic strike, and also the steady advance of the West German government towards possession of nuclear weapons.

What are the new features of the situation? Acting on government instructions, the West German command has elaborated a "forward strategy" the purpose of which is to realize the revanchist aims by using atomic weapons and setting up a MLF. As part of this strategy, the West German government and the Bundeswehr command are insisting, in what is known as the Trettner memorandum, on being given a say in the use of nuclear weapons. Aware that implementation of these plans would at once expose it as an aggressor, Bonn contemplates a "camouflaged," i.e., undeclared war against the GDR, fought with both conventional and so-called tactical atomic weapons. The atomic-mine belt along West Germany's eastern borders, envisaged in the Trettner memorandum, is to cover the flanks in attack, cushion possible retaliatory blows, justify an atomic attack and draw other NATO powers into a nuclear conflict. The atomic-mine field is, therefore, a vital component of the "forward strategy." Although the use of atomic mines was rehearsed during NATO's "Fallex 64" military exercises and the proposals on the atomic-mine belt were submitted to the NATO military committee in Washington at the time of the visit of War Minister Hassel to the United States, the public became alarmed only after the Paris session of the NATO Council. These and similar ideas about a "local" war limited to Europe and with restricted use of atomic weapons are being discussed quite openly in West Germany. For instance, in Hamburg on April 2, 1964, during a discus-

sion of NATO problems, Helmut Schmidt, Bundestag deputy and military adviser to the Socialist Party leadership, expounded the view that a large-scale nuclear war was unlikely and that therefore the NATO countries should prepare for local wars.

The aim is to blackmail the Soviet Union and the other socialist states by linking up revanchist demands with West Germany's participation in nuclear decision-making. The view of the West German rulers is that atomic diplomacy will enable them to annex the GDR. Closely connected with this are Bonn's efforts to effect emergency legislation and vindicate the Nazi war criminals. At the same time they are frantically resisting normalization of relations between the two Germanys, bringing pressure to bear on governments that display a desire to extend relations with the GDR, and resorting to all means to block trade between the GDR and developed capitalist countries.

The illegal appearance of the Bonn government in West Berlin and the Bundestag session there were a dangerous and reckless provocation, as important a component of the policy of revenge as the "forward strategy," the atomic-mine belt and participation in a multilateral nuclear force. Bonn thinks that in this way it will succeed in annexing West Berlin and using it as an outpost to "eliminate" the GDR and force the door open to the East. But we have made it absolutely clear that West Berlin does not and will never belong to the Federal Republic. *The question of West Berlin involves the vital interests of the GDR. It is every bit as important to us as the question of the Oder-Neisse border is to Poland.* We recall that under Hitler the Danzig corridor issue was used not only to foment revanchism, but also to prepare war. Thus, the question of ways of access to West Berlin could become a question of war and peace. Therefore the crime should be prevented in good time. Those who want normal communication with West Berlin through GDR territory by land, water and air should accustom themselves to concluding agreements with the German Democratic Republic.

We know from the historical experience of our people that no aggressive plan is too reckless for the present West German government and its revenge-seeking politicians and ex-Hitler generals. We know that their hatred for socialism and their craving for revenge blind them to the realities and to the correlation of forces. Their hope is that with the resources of the United States and other NATO countries to back them they will be able to restrict a war, begun by

means of a surprise attack, to European territory and to win it.

Some NATO governments claim that West Germany's participation in this or that version of the MLF would restrict its freedom of action and prevent it from having its own atomic weapons. This is an attempt at deliberate deception; at best, a manifestation of the ludicrous naivete which the rulers of Britain, France and the United States have repeatedly displayed in dealing with German imperialism and militarism.

In reality they support both in principle and in practical policy, the West German policy of revenge inasmuch as it is directed against the GDR and is designed to facilitate penetration into the other socialist countries and do everything possible to disrupt their unity.

The Bonn government, itself a product of the international tension and hoping to benefit from continuation and aggravation of the tension, treats people with the utmost contempt and acts as an international center for violating the peace, security and harmony among the nations.

However, the new situation is influenced not only by Bonn's utterly negative policy. The trends of world development point in an entirely different direction. They are characterized by the growth of the peace forces, the growing might of the socialist countries with their consistent policy of peace, the vigorous efforts of the Communist and Workers' parties and people in the European and other countries to improve the international climate, and the struggle for peace waged by the independent states of Asia, Africa and Latin America, by the peoples of these continents fighting for their liberation.

Holding that peace on our continent is indivisible, the Political Consultative Committee supported a series of proposals which if realized could lead to the establishment of a system of effective collective security for all the countries and peoples of Europe.

European collective security can become a reality only if there is an agreement on renunciation of nuclear weapons and their proliferation, i.e., renunciation of multilateral nuclear armament, the denial to West Germany of a share in control over nuclear weapons, and renunciation by the two Germanys of any kind of nuclear armament. Peaceful coexistence thus presupposes agreements on nuclear-free zones in Europe. Proposals for a nuclear-free zone only along the GDR-FRG border are unrealistic. There is the constant danger of the revenge-seekers turning West Berlin into a center of provocations and misusing the routes to West Ber-

lin and other routes across GDR territory. Consequently, the only realistic prospect is an atom-free zone in Central Europe.

We visualize collective security being based on agreements between European states conforming to international law and promoting the cause of peace. Hence normal relations between the West European countries and the GDR are assential for genuine collective security. As long as the government of the Federal Republic remains opposed to a peace treaty in the spirit of the Potsdam principles, the establishment of good relations between the West European countries and the GDR would be a major step towards European security and cooperation.

The Warsaw Treaty members supported the GDR proposal on renunciation of nuclear weapons by the two Germanys. They agree with the Soviet Union's proposals for an atom-free zone in Europe, a Warsaw Treaty-NATO aggression pact and disarmament, and the Polish proposal for a European conference to discuss ways and means of ensuring collective security in Europe.

The session also endorsed all the proposals for prohibiting and destroying the stockpiles of nuclear weapons and for world disarmament.

Our Party, government and the National Front consider that maintenance of peace is the heart of the national problem of the German people and that *every step towards an international detente and disarmament helps ease the strain in the relations between the two Germanys, helps towards disarmament in Germany*. Since West German militarism is the main danger to the German people and to all the people of Europe, progress in the German question is possible only through disarmament and agreement between the two German states on the basis of equality.

The GDR initiative on passes, communication and other questions was based on the recognition of the GDR government as an equal negotiating partner. Steps of a limited nature towards normal relations between the two German states are valuable only to the extent that they help to strengthen peace.

The German Democratic Republic occupies a special position among the European states. As a result of postwar developments it has become the focal point of the main problems of the coexistence of the European peoples. *In a sense, the road to European peace and accord lies through agreement with the GDR*. Ours being a peaceful German state which has done away with the past, it is only natural that the GDR should be actively working to ensure peace for the German people. *The ice of the cold war which has for so long*

blocked cooperation in Europe can be melted. Our policy is helping a thaw in Europe. We are ready to cooperate with all European states and peoples, regardless of their social systems, political aims and world outlook, with all Europeans of good will.

We hold that an atom-free zone incorporating the two Germanys, and a Warsaw Treaty-NATO non-aggression pact can best promote relaxation of tension in Europe and cooperation between the countries of Europe.

We are for sincere cooperation between all European countries, for a European security system to safeguard the peace of all the countries and deliver all the people from the threat of war.

We consider that the common history, the culture developed down the centuries by all the countries of Europe, and also the common interest in ensuring peace provide sound prerequisites for peaceful life and sincere cooperation, despite the ideological and political differences. *We, the socialist states, have a special sense of responsibility for the humanist and cultural heritage of the people of Europe*. For the socialist countries constitute two-thirds of the territory of Europe, and one of every two Europeans lives in a socialist country.

All Germans must work for peace, against nuclear arms of any kind for West Germany, because nuclear weapons in West German hands would rule out any serious steps towards reunification and, what is more, would jeopardize the existence of all Germans, in the East and in the West, would endanger peace in Europe.

Today, twenty years after the liberation from fascism and the defeat of German imperialism, our Party, the government of the GDR, the National Front and all citizens of our socialist state see their prime duty in working to ensure that never again shall war originate on German soil. Twenty years after the destruction of Hitler rule we, regrettably, have still not done away with the aftermath of the war in all of Germany and have to prevent West Germany from entering a new prewar period.

That is why the Warsaw meeting discussed and outlined measures in the diverse fields which the Warsaw Treaty states and their joint command regard necessary for safeguarding peace and the peaceful labor of their people. The results of the Political Consultative Committee session were, in our view, a success for the cause of peace and security in Europe, ushering in a new stage in the struggle against the men of Bonn participating in control over nuclear weapons.

New features in the international situation

R. PALME DUTT

MAY DAY this year takes place three-quarters of a century after the first celebration of May Day as the united demonstration of the international working-class movement.

The transformation of the world during this three-quarters of a century along the lines indicated by Marx and Lenin is now manifest to all, and is no longer disputed even by the enemies of socialism. The advance of socialism and national liberation has become the dominant feature of our age. Imperialism, which governed the entire world on that first May Day, has become the minority sector of the world.

Nevertheless, the imperialist beast at bay still conducts violent aggression, as shown notably at this moment in Vietnam or in the Congo. Many problems of the international working-class movement, of the path forward of national liberation for the ending equally of colonialism and neo-colonialism, of the cooperation of socialist countries and of socialism and national liberation, and of the path of advance of the working class in the remaining capitalist countries, still require urgent attention.

The 1960 Statement of 81 Communist and Workers' Parties noted as the decisive feature of the modern epoch:

"the rapid growth of the might and international influence of the world socialist system, the vigorous process of disintegration of the colonial system under the impact of the national-liberation movement, the intensification of class struggles in the capitalist world, and the continued decline and decay of the world capitalist system.

The superiority of the forces of socialism

over those of imperialism, of the forces of peace over those of war, is becoming ever more marked in the world arena."

At the same time the 1960 Statement drew attention to the negative aspects accompanying this advance in the world situation (aspects which had been underlined shortly before the meeting by the U-2 sabotage committed by American imperialism to wreck the planned Summit Conference earlier in the year):

"Nevertheless, imperialism, which is intent on maintaining its positions, sabotages disarmament, seeks to prolong the cold war and aggravate it to the utmost, and persists in preparing a new world war."

The communique of the Consultative Meeting of 19 Communist and Workers' Parties in March of this year (a purely consultative meeting, it should be emphasized, with no claim to any organizing role as a group, or to replace the aim of a united international Communist conference, whose urgency was recognized in the communique) carried forward this analysis, confirming the lines of the 1960 Statement, in the light of further experience of the past five years.

In confirmation of the general analysis of the 1960 Statement, the communique of 1965 noted that:

"under present conditions the strengthening of the positions of socialism, the upsurge of the national liberation and the international working-class movements, and the growth of the forces standing for the maintenance and strengthening of peace, is the basic trend in world development."

At the same time the communique of 1965

noted, even more sharply than the 1960 Statement, the negative aspects, which were marked at the time by the increasing acts of aggression of world reaction, and in the first place U.S. imperialism.

"world reaction, and in the first place U.S. imperialism, is becoming more active in various parts of the world trying to aggravate the situation and undertaking acts of aggression against the socialist countries, the states liberated from colonialism, and the revolutionary movement of the peoples."

The development of the five years since 1960 has been marked by important new features, both in the economic and political conditions of the imperialist world, and in the advance of socialism and national liberation of the working class movement, which require careful estimation and raise significant new problems. Here only the most brief preliminary attempt will be made to examine some of these new features and problems.

The most striking new features in the current development of imperialism may be summarized as:

(1) The sharp intensification of inter-imperialist contradictions;

(2) The weakening of the previous dominance of U.S. imperialism;

(3) The increasing challenge of the West-European imperialist grouping;

(4) The trends towards disintegration of NATO;

(5) The deterioration of the international position of Britain;

(6) The sharpening of capitalist economic contradictions and trade war;

(7) New forms of neo-colonialist strategy and aggressive offensive actions, especially of U.S. imperialism, and also of British imperialism.

At the same time these developments are bringing important consequences in internal class relations in the imperialist countries, reflected in the measure of advance of popular leftward and anti-monopoly trends.

After the Second World War United States imperialism, which had suffered no destruction or losses on its home territory, but had made gigantic profits from the war, occupied an overwhelmingly dominant position within the imperialist world. The West European powers, having suffered heavy losses and destruction in their home territory through the war, and at the same time faced with the disintegration of their former colonial empires, fell into a position of dependence on United States imperialism for the reconstruction of their economies on a capitalist

basis and for the defeat of the united popular democratic advance which had developed from the common struggle against fascism. This phase was marked by the Marshall Plan; the break-up of the governments of popular socialist-communist anti-fascist cooperation in Western Europe; the public inauguration of the cold war; the formation of NATO; and the partition of Germany to establish a reactionary and eventually a re-armed West Germany under the same alliance of monopolists and militarists which had maintained Hitler in power.

This domination of U.S. monopoly capitalism in the initial postwar phase was reflected in the economic sphere by the phenomenon of the concentration of the overwhelming majority of the gold of the capitalist world in Fort Knox. The dollar to a considerable extent replaced gold as the world currency for international exchange and the backing of the domestic paper currencies. Sterling made a hard-fought attempt to maintain a slippery foothold as an auxiliary alongside the dollar; but the devaluation of the £ in 1949, with its continuing unstable position which is especially marked today, has shown the precarious nature of this foothold. The U.S. deliberately held down the price of gold to its prewar level; so that, while the general price level of commodities has more than trebled since the war, gold remains at the same price, thereby both discouraging attempts to accelerate the extension of its production, and ensuring that the available world supply at this one-third price level in relation to other commodities would be obviously insufficient as a basis for world currency and credit, and leaving the dollar supreme and indispensable. This in turn facilitated the path for the dollar to dominate the economy of every other capitalist country.

But during the recent period the law of the uneven development of capitalism has produced profound changes in the relations of the main capitalist powers. The economic change in the proportion of the share of world production and the world market, with the United States' former leading position now heavily reduced, has been reflected also in this same measure of gold.

Despite the colossal volume of gold still stored away in Fort Knox, the gold stock of the capitalist countries of Continental Europe is now greater than the gold stock of the U.S. At the end of 1964 the gold stock of the U.S. totalled 15.6 billion dollars, and that of the capitalist countries of Continental Europe 18.2 billion (Common Market 13.2 billion). Moreover, the U.S. is now grappling with the problem of the heavy deficit on its

balance of payments; the figure of its gold stock had fallen by the beginning of March of this year to 14.8 billion dollars, or the lowest since 1949. Under these circumstances the maintenance of the dollar as redeemable in gold — the hard expression of its supremacy and indispensability as the world currency — makes it vulnerable to an offensive by France or West Germany if these were to decide to replace their dollar reserves by gold as the backing of their paper currency. This is the offensive which De Gaulle has now opened, although West Germany has not so far followed suit. Thus the demand for the return to the gold standard by de Gaulle today is the opposite in significance from the restoration of the gold standard 40 years ago. The restoration of the gold standard in 1925 was the expression of subservience to the U.S. The demand of de Gaulle today for the return to gold, and initial measures undertaken for fulfilling this demand, is the expression of a revolt against the U.S. The U.S., on the other hand, seeks at present to protect sterling as its precarious auxiliary to hold off any such offensive which would displace the dollar and sterling as the basis of world currency. Alternative consideration is being given to the at present highly hypothetical schemes of establishing through the International Bank or similar mechanism an artificial nominal world currency, in practice under dominant American control. In this way, the sharpening inter-imperialist conflict of the present stage expresses itself in the currency field, over the question of gold, the dollar and the projects for a proposed artificial world currency.

The challenge of the restored West European capitalist countries to the domination of the U.S. has found expression equally in the economic, political and military fields. The formation of the European Economic Community (or Common Market) was originally blessed by the U.S. in the expectation that it would tie together its satellites in Western Europe in such a way as to check the emergence of any independent national ambitions, ensure the dominance of the main American partner, West Germany, and reduce Britain from the position of a world power claiming a special relationship with the U.S. to the position of an auxiliary member of a West European combination dominated by the U.S.

But the evolution of the Common Market, and of its more contradictory political expression in the political institutions of the Six, has followed a different path from that originally contemplated by the U.S. The Common Market has become a bloc of West Eu-

ropean monopoly interests capable of acting as a rival to the economic supremacy of the U.S. The West German monopolists, still closely linked with the U.S., but at the same time linked with France in the Common Market, have sought to use this dual position for their own independent aims. This has been shown in the tenacious West German pursuit of the aim to secure control of nuclear weapons, along both alternative paths, both through the proposed Multilateral Nuclear Force by association with the U.S., and through the simultaneous underground association with French nuclear development. On the other hand, the approach of Britain to join the Common Market, made with considerable hesitation and under American pressure, was rejected by the influence of France, which saw in Britain's entry the prospect of entry of a spokesman of the U.S., to upset French plans. In the most recent period the economic advance of the Common Market countries has suffered a certain setback, while the political relations and initial plans for political integration are beset with contradictions.

In this changing international situation Britain has become increasingly isolated, and Britain's foreign policy is at the moment searching for its orientation. Britain during the first phase after the war still claimed a special position, despite the disintegration of its former colonial empire, as the center of what became described by its statesmen as the three concentric circles; as the main partner of the U.S., in the special Anglo-American relationship; as a world power at the center of the Commonwealth; and as a West European power with a strong position in Western Europe. All these roles have been heavily diminished. The U.S. under Kennedy, and still more under Johnson, has more and more openly repudiated Britain's claim to a special relationship, although at the moment finding Britain's support useful as a counter to the French claims of independence in Western Europe and as the sole support for its aggressive colonial war in Southeast Asia. The continuance of the Commonwealth, with the increasingly independent role of the Afro-Asian countries and a parallel increasing orientation of the older "White" dominions to the U.S., has become so confused and shaky as to make it more and more obviously a survival of a past structure and a reflection of the still continuing world role of British capital, but no basis for Britain to claim the position of a world power as in the old days.

In relation to Western Europe Britain is at the moment reduced to the position of a

suitor, simultaneously courting France with Wilson's visit to France, and West Germany with Wilson's visit to Bonn and West Berlin, and the plans for the Queen to visit West Berlin. Proposals for a renewed attempt to enter into the Common Market or into some agreement with it have been revived. But Britain's position is dominated by the continuous deterioration in its economic situation and share of world production and trade, and its chronic deficits in the balance of payments, making precarious the maintenance of the pound. The continued endeavors to maintain Britain's traditional strategic position and bases "East of Suez," with the consequent heavy military expenditure involved further weaken Britain's economic position.

It is not surprising that in this changed balance of world relations the whole elaborate structure of NATO has become weakened, and is widely seen by observers of many political colors as an obsolete anachronism surviving from the conditions of a previous period. At the beginning of this year the *Times* wrote:

"The present dangers are not the dangers which NATO was formed to encounter and combat. They show themselves in Vietnam, in the Indonesia-Malaysian fighting, in the Yemen-Aden conflict, on the Israel-Arab borders, and in the Congo. No solution for any of them is in sight. What is worse for the Western powers is that it is they who are chiefly reviled — and most of all the U.S. — for provoking or continuing the bloodshed; and those who shout the most venomously are in the uncommitted countries to which the U.S., British and others have given aid of all kinds for many years." (*Times*, January 1, 1965).

Similarly the *New York Times* in an editorial on March 2, 1964 made its analysis of the basic change of the world situation rendering out of date the American foreign policies of the preceding period.

"The world has changed, established patterns have been breaking up and many of the basic concepts on which American foreign policies are founded no longer fit the world of 1964. . . . We (the U.S.) cling to the world with all our strength, but the world has been slipping out of our grasp."

The latest British Defense White Paper, published in February 1965, has written off the prospect of a major conflict between East and West in Europe, even though this analysis is presented in terms of the familiar theory of "mutual deterrence."

"The only direct threat to our survival would be a major nuclear war arising from a direct conflict between East and West. This

can be almost entirely excluded as a result of the present state of mutual deterrence, and bearing in mind the high risk that any conflict in Europe would escalate, deliberate aggression, even on a limited scale, is unlikely in this theatre." What is implicit in this analysis is that Britain, faced with the heavy crippling burden of its present overseas military expenditure and consequent deficit in the balance of payments, is seeking to cut the costs, not of its imperialist expenditure east of Suez, but of the superfluous 62,000 troops maintained in West Germany.

West German ruling circles from their side have expressed alarm at these signs and trends, or at any indication of a relaxation of the rigid cold war line in East-West relations in Europe, since they see in this the possibility of some kind of "disengagement" in Central Europe, such as would make necessary a basic revision of West German policy. Influential sections in West Germany, however, have already begun to indicate recognition of the necessity of such a revision.

The counterpart of this fluid and contradictory situation of inter-imperialist power relations at the present stage, with a certain diminution of tension at the moment in East-West relations in Europe (although the menace of the various projects for West German nuclear armament remains sharp), and of the accompanying sharpened inter-imperialist economic conflicts, has been an increasing concentration of the main drive of imperialist policy for the solution of its existing problems towards intensified neo-colonialist penetration, expansion and aggression outside Europe.

While the past two decades have seen at an accelerating pace the replacement of the majority of the former colonial territories by newly independent states, this has by no means meant the ending of colonialist exploitation of the peoples in these territories, or even the renunciation of attempted strategic domination and sometimes direct colonialist aggression. During the past decade the gulf between the imperialist exploiting powers and the exploited nations suffering from the heritage of colonialist economy has in fact grown greater. All imperialist observers have noted this increasing gulf between what they are pleased to call the "rich" nations and the "poor" nations. This increasing exploitation of the colonial or ex-colonial peoples has found characteristic expression in the movement of the terms of trade, with the rising prices of industrial goods exported by the imperialist countries, and the falling prices or relatively lower increase in prices of the food and raw materials supplied from the countries with a colonial economy. The United Nations

Statistics recorded that during the 12 years from 1950 to 1962 the value of exports from the so-called "developed" capitalist countries (i.e., imperialist countries) to the so-called "developing" countries (i.e., colonial or newly ex-colonial countries) more than doubled, while the value of the exports from the latter to the former only increased by slightly more than one half, so that for the same volume of goods these exploited countries were receiving less goods in return.

All the "development" and "aid" from the Western imperialist countries has not changed this deterioration in the position of the primary producing countries suffering from colonialist exploitation. This is because in practice the greater part of this so-called "development" and "aid" has been directed, either for military and strategic purposes, or to buttress reactionary regimes against the people, or to furnish commercial outlets for penetration by the imperialist countries, and not to make possible the independent reconstruction of the economies of the newly independent countries. Moreover, the greater part of this "aid" has been provided on such interest terms as to increase heavily the debt burdens on these already overburdened countries. The World Bank report of 1962 stated that more than £1,000 million would need to be paid as interest in 1962 on previous "aid," and that this would have to come out of the projected total of £3,200 million available for "aid" in 1963. Thus a position is reached in which an increasing proportion of the "development" and "aid," today already one-third, is in fact being used not for any purpose within the country which is supposed to be helped, but to pay interest to the country which is giving the "aid." This is already beginning to bring into view the prospect when the whole machinery of "development" and "aid" of this type threatens to grind to a standstill, as the newly independent countries in many cases have already begun to refuse further projects of "aid" on the grounds that their finances are already stretched to the limit and cannot possibly carry a further burden of debt.

This increasingly open conflict of interests between the imperialist powers and the newly independent states, as well as the remaining colonial countries of Asia and Africa and some Latin American countries, was demonstrated at the United Nations Trade and Development Conference (UNTDC) of 121 nations held in Geneva in the summer of 1964. At this conference the exploited nations formed the so-called "Bloc of 75 States" to present their demands to the imperialist powers for fairer economic conditions of trading, as well as for ending of the various continuing forms

of colonialism. Thereby at this conference the pretence of identity of interests was exposed, and the philanthropic mask was torn from the faces of the imperialist powers. By the alliance of the states of socialism and national liberation, resolution after resolution was carried by an overwhelming majority against the opposing votes of the handful of imperialist powers exposed in their isolation. This appeared even in relation to the most moderate resolutions which could be far from regarded as representing any extreme radical demands. Thus for example the adoption of the following resolution, and the voting on it, is recorded in the Official Report of the conference (published in Britain, Cnd. 2417):

"Economic relations between countries, including trade relations, shall be based on respect for the principle of sovereign equality of states, self-determination of peoples, and non-interference in the internal affairs of other countries."

Voting: FOR 113, AGAINST 1 (USA), ABSTENTIONS 2, (including United Kingdom).

There is no doubt that this sharp confrontation of opposing interests and alignment revealed at the Geneva conference has caused unmistakable alarm in imperialist quarters.

The consequences of this increasingly open conflict between the imperialist powers and many of the newly independent states and general advance of the national-liberation movement have been far-reaching in the present stage of the international situation. On the one hand, the more progressive newly independent states are beginning directly to refuse to be caught in the noose of spurious programs of "aid" with conditions put forward by the imperialist powers, and have resisted attempts to make them comply with demands for acceptance of imposed conditions or for limitation of their independent foreign policy (recently UAR in relation to West Germany; Indonesia in relation to the United States). They have moved increasingly to take advantage of the real aid made available to them by the socialist countries—aid which helps to build up their independent economies, untrammelled by conditions, and at very low rates of interest covering only administrative costs. On the other hand, the imperialist powers, faced with such resistance, have in a number of regions thrown aside their philanthropic mask and entered on military adventures of open criminal aggression. Such has been the barbarous war of the United States in Vietnam; the combined imperialist assault on the people of the Congo; the war of British imperialism in South Arabia; and the massing of British armed forces in the artificial puppet

state of "Malaysia" created by British imperialism have brought dangerous elements of the Malayan people's liberation struggle, but against all the people of Southeast Asia.

These regional aggressive actions of imperialism have brought dangerous elements of tension in the international situation.

Such are some of the general conditions of the present international situation and strategy of imperialism in relation to which the decisive advancing forces of the modern epoch, the world socialist camp, the newly independent states and national-liberation movement, and the international working class and supporters of peace have to judge their action.

The general characterization, given by the 1960 Statement and carried forward in the 1965 communique, of the increasing change in the world balance in favor of the advance of the forces of socialism and national liberation continues to be confirmed each year that passes. Even though the prospective next landmark of the socialist world outstripping the capitalist world and becoming responsible for more than half of world production may not be as immediately close, within a few years, as was at first anticipated, the general direction of advance towards this perspective is now beginning to be widely admitted even by opponents.

Just as the conception of planning, at first scorned by the economic theorists of the West, has long ago been subsequently imitated, but deprived of its social content, by modern monopoly capitalism, so today the conception of "growth rates," originated also from the formulations of socialist planned economy, is now echoed in all current economic discussions of the capitalist world.

The reason why this feverish concentration on annual growth rates has developed during the past decade, since the middle fifties, as the main preoccupation of the economists and political leaders of capitalism is not far to seek. Before the Second World War capitalist economic superiority over socialism was taken for granted; the eternal laws of economics were assumed to be the laws of capitalism. After the war, when the strength of Soviet society in face of that unparalleled ordeal had to be recognized, Western nuclear superiority was assumed until by the mid-fifties that illusion was smashed. So has developed the modern period—which has been described as the third stage of the general crisis of capitalism—the period of the coexistence of two world economic systems, with the new economic system already covering two-fifths of world industries production, rapidly overtaking the old and drawing ever closer within view of outstripping it in a relatively short

space of time. From this moment all attention is fixed on annual growth rates, as if they were League match tables.

The increasingly inescapable statistical contrast is compelling this anxious concern in the Western world. Between 1937 and 1962 industrial output in the socialist countries increased by 650 per cent, and in the capitalist countries by 169 per cent. If we take the period of the "German economic miracle" and loudly proclaimed success of the Common Market, between 1950 and 1963 the United Nations Statistics show the Soviet Union and Socialist countries of Eastern Europe increasing by 300 per cent, with the rest of Europe, excluding the socialist countries, increasing by 108 per cent, or the Common Market Six by 150 per cent. Between 1918 and 1962 the average annual increase of industrial output in the Soviet Union was 10.1 per cent and in the United States 3.4 per cent. Yet during these years the Soviet Union suffered the overwhelming losses and destruction of the war of intervention and the Second World War, while the United States suffered no war damage, but was assisted by the war to pile up profits and extend productive capacity. The objection is often voiced that the low initial level inherited by the Soviet Union from tsarism and the First World War invalidates any percentage comparison over the whole period. The current favorite apologetic theory now argues that, once a high technical level has been reached, the rate of growth inevitably tapers downwards. Very well. Let us take the past decade since 1954, that is, after the Soviet Union had already reached a very high technical level, on the world scale second only to the United States. Between 1954 and 1963 the average annual growth rate of Soviet industrial output was 10.5 per cent, and of American 3.1 per cent. In 1953 Soviet industrial production was 33 per cent of the U.S. level; by 1963 it was 65 per cent. Whichever way the measurements are taken, the contrast between the two lines of development is unmistakable, no less than the future world prospect to which this contrast points. But the contrast is not the contrast of rival setting of targets and plans and growth rates. The contrast is the contrast of two social systems.

Similarly in China, after the difficult years of a succession of natural disasters and problems of the growth of the economy, the most recent United Nations reports, covering 1964, and representing estimates of non-socialist observers, have testified to the historic economic advance which socialism is achieving in the conditions of life of a quarter of mankind, and offering so marked a contrast, as every

Western journalist and observer has commented, with the conditions of life of the people of India, despite the very lavish financial Western aid to India.

In the most advanced spheres of science and technology the recent achievement of Voskhod I and the first man moving in space has once again concentrated the attention of the whole world on the undisputed primacy here shown of socialism in the era of the beginning of the transition to communism.

Certainly there are still problems in the relations of socialist states and the integration of economic advance and cooperation in this new phase of a world camp of socialist states. But these are problems of growth, and are fully capable of solution because of the basic identity of interests constituted by the foundation and aims of socialism. As the 1960 Statement made clear, the development of internationalism is not an automatic spontaneous fulfilment even after the victory of socialism, but needs to be consciously fostered against any surviving manifestations of nationalism:

"One of the greatest achievements of the world socialist system is the practical confirmation of the Marxist-Leninist thesis that national antagonisms diminish with the decline of class antagonisms . . . Manifestations of nationalism and national narrow-mindedness do not disappear automatically with the establishment of the socialist system. If fraternal relations and friendship between the socialist countries are to be strengthened, it is necessary that the Communist and Workers' parties pursue a Marxist-Leninist internationalist policy, that all working people be educated in a spirit of internationalism and patriotism, and that a resolute struggle be waged to eliminate the survivals of bourgeois nationalism and chauvinism."

If the advance of socialism is the dominant factor of the modern world situation, the parallel advance of national liberation has been no less rapid during these same recent years, and has shown itself more and more clearly, as Lenin already indicated since 1917, to be an integral part of the world socialist revolution. These last five years have seen such outstanding victories as that of the Algerian people after their bitter seven years' war of independence, or of the Cuban people, beating off the assaults of American imperialism, and entering on the path of the construction of socialism. During these five years a greater number of newly independent states have come into existence than in any previous similar period. This transformation has above all changed the face of Africa, despite the still continuing strongholds of colonialist and

racialist domination in South and Central Africa remaining to be overcome. It has brought such a shift in voting proportions in the United Nations that the U.S. rulers have taken steps (under the insolent pretext of demanding that the financial costs of various illegal aggressions conducted in the name of the United Nations should now be contributed to by the very states which protested against such illegal aggressions) to endeavor to prevent any further voting by the United Nations Assembly.

The change brought about by this advance of national liberation in the most recent period is not only quantitative but also qualitative. The peoples who have won their independence from colonial rule have all come to recognize that the winning of political independence does not yet complete the ending of colonialism, and that their full liberation will require economic and social reconstruction which will end the stranglehold of imperialism and its reactionary feudal or local monopolist allies over the economy of their countries and win rich resources of their countries into the hands of the people. The stage has been reached when the slogan of the aim of socialism is now almost universally recognized in all the newly independent states, although the term is still used to cover a variety of meanings, and even in some cases to conceal attempts to maintain a reactionary social order. Nevertheless, the urgent demands of the masses in these countries for better living conditions, no less than the requirements of the further progress of the national liberation struggle against imperialism, are placing these questions of social transformation in the forefront of the agenda. The 1960 Statement first launched the conception of the path of "non-capitalist development" opening out before the newly independent states, that is, that in the context of the modern world, with the decisive role of the world socialist camp, it would be possible for these new states of national liberation to advance to socialism without having to pass through an intermediate stage of capitalism. During these succeeding years this process has been demonstrated in a variety of forms.

A wide range of new forms of transition, with varying characteristics, is being manifested in Algeria, Ghana, the United Arab Republic and Burma. All this rich variety of new experiences, which could have been only anticipated in general principle a few years ago, is now raising new significant questions of strategy and tactics, as well as of the relation of class forces and political formations within the newly independent countries, and require the fullest study and discussion for

the most helpful and constructive role of Marxist-Leninists in the concrete conditions of each particular country.

From this rapid and very incomplete survey of some of the new trends and developments of the current world situation it is manifest what are the outstanding problems and tasks which now confront us in the present phase.

First, and most immediate, is the necessity to organize the most effective united action on the part of all peoples to check the present criminal aggression and colonial wars of imperialism, at the moment especially in Vietnam and Southeast Asia, in Southern Arabia and the Congo.

Second, the necessity to carry forward on a very wide variety of fronts the fight for the aims of peace and peaceful coexistence; against the projects for the nuclear armament of West Germany, for the extension of nuclear free zones (such as already exists by international treaty in the Antarctic), and for the speediest advance to the total banning and destruction of nuclear weapons and the limitation of armaments; for the ending of the cold war and sectional military alliances; for the recognition of China's rights in the United Nations; for the ending of intervention in the internal affairs of the people in every country. It is manifest that the fulfilment of these aims of peace and peaceful coexistence is inseparably bound up with the fullest support of the just struggles of national liberation against imperialist aggression.

Third, within the field of relations of socialist countries the further advance along the path of solving the current concrete problems of combining the aims of harmonious cooperation and economic association with the maintenance of national sovereignty and fullest development of the economic potential of each socialist country — the type of problems which were constructively tackled in the recent Warsaw Conference of socialist countries in Europe.

Fourth, in the sphere of the national-liberation movement, the strengthening of cooperation for the speediest victory of national liberation, against the remaining strongholds of imperialism, especially in South and Central Africa; and in the newly independent states the development of appropriate social and political forms (whether in a single party of the united national front, or through a variety of parties cooperating on a democratic basis), with the fullest democratic role of the working class and peasantry and intelligentsia and petty bourgeoisie, and the fullest scope for the constructive contribution of Marxism-Leninism, to ensure the most rapid and suc-

cessful development of complete national liberation, democracy and economic and social reconstruction towards the aim of ending the heritage of colonial economy and advancing on the path to socialism.

Fifth, in the imperialist countries and remaining capitalist countries associated in the imperialist sector, the problems of the advance of the working class and democratic movement have taken on specific forms corresponding with the new conditions. On the one hand a left-ward trend of popular feeling against imperialist reaction and the big monopolies has made itself manifest in the current period, as in the massive defeat of Goldwater in the United States Presidential election; the defeat of Toryism and the return of a Labor Government in Britain; the recent elections in Greece, Italy, France and a number of European countries; and the breadth of the democratic upsurge in Spain. On the other hand, the continued domination of the most dangerous imperialist aggressive and colonialist policies, as conducted at the moment by the Administration of President Johnson in the U.S., or the Right-wing Labor Government in Britain; the regime of personal rule of President de Gaulle in France; the increased aggressiveness of militarist and neo-Nazi trends in West Germany alongside the banning of the Communist Party; the continued, though now precarious maintenance of the Franco dictatorship in Spain and the Salazar dictatorship in Portugal; as well as the ever greater entrenchment and domination of economic life by the big monopolies; all these conditions place in the forefront the most elementary tasks of the fight of the masses of the people for the aims of democracy, against the big monopolies and reactionary imperialist policies, and for the economic and social demands of the people. The development of such a fight at the present stage can alone prepare the conditions for the more basic social advance which is in fact long overdue in these countries of a highly developed capitalist economy. For the fulfilment of these tasks the need of working class unity in action, the closest cooperation of Communists and social democrats, and of the widest mass unity against the monopolies and in the cause of peace, is imperative; and in a number of countries signs of new positive trends in this direction have manifested themselves.

Sixth, there is the parallel necessity for the widest international unity of all working class, democratic and peace forces on the common ground of the immediate aims of the fight for peace, for national independence and demo-

cracy against the policies of the cold war and imperialist reaction and the arms race.

Seventh, and the indispensable key to the most effective advance in every field in the present world situation, is the unity of the international Communist movement. At a time when all the objective conditions of the international situation, the advance of the world socialist camp, of the influence of the ideas of communism and of Communist parties, of the ever-greater extension of the triumphs of national liberation, are confronting the imperialist world with heavy difficulties and create the most favorable opportunities for the most rapid advance of communism, the enemies of communism seek to take advantage of the public display of various ideological and tactical differences, with harmful organizational consequences in the internal situation of a number of Communist parties and in the relations between Communist parties, to create confusion and hold back Communist advance. It can only be the concern of every Communist to overcome this situation. The problems involved will not be solved by the waving of a wand, and will require the most careful and patient approach. It will be necessary, as the 1965 communique indicated:

"to work tirelessly for an improvement of the atmosphere in the world Communist movement . . . emphasis and concentration of

efforts on the urgent tasks confronting the Communist movement will, more than anything else, bring our positions on the fundamental issues of the time closer together." But it remains true, as the communique also states, that:

"What unites the Communist Parties greatly outweighs that which at the present time disunites them. Even though there are differences over the political line and many important problems of theory and tactics, it is quite possible and necessary to work for united action against imperialism and to render all-round support for the liberation movement of the peoples, in the struggle for world peace and peaceful coexistence of all countries, big and small, with different social systems, and in the fight for the vital interests and historic goals of the working class.

"Concerted action in the fight for these common goals is the most effective way of overcoming the existing differences."

The foundation of the teachings of Marx and Lenin is the unity of the international Communist movement, embracing the vanguard of the peoples of the entire world, on the basis of these teachings and collective cooperation for their realization. Every Communist will direct the uttermost efforts for the fulfilment of this aim, which is the indispensable basis and pivot and lever for the advance and liberation of all mankind.

Milestone in the march of history

(20th anniversary of European people's democracies)

LEON ZIELENIEC, ASEN CHARAKCHIEV

THE TWENTIETH ANNIVERSARY of the European People's Democracies is a landmark in the advance of the worldwide liberation movement. With the taking by this group of countries of the socialist road the first phase of the new society — the phase of building socialism in one country encircled by class enemies—came to an end, and a new period, that of the growth of socialism into a world system, was ushered in.

In these twenty years the Communist parties of the socialist countries have accomplished much in the way of radical social reconstruction in a wide variety of conditions; they have been years of socialist revolutions and building socialism reflecting a multiformity of historically conditioned national features and traditions. But whatever the differences, in all this we can clearly discern the hallmark of the integral, law-governed process of transition from capitalism to socialism testifying to the existence of basic features common to all countries.

Today the viability of socialism and its ability to solve the fundamental human problems which previous social formations were powerless to cope with have been demonstrated not only by one country, but by a group of countries. The collective experience of these countries is the result of analysis and generalization of the finest achievements in

the building of socialism, of creative comparison of views and assessments.

For the first time in history, socialism has abolished the economic roots of exploitation, poverty, unemployment and national discord and has given the working man security. It has done away with private ownership of the basic means of production and with the social distinctions stemming from capitalist relations of production, and thereby laid the groundwork for planned guidance by the working people of all the affairs of society. These revolutionary changes opened the way to the shaping of new human relations based on teamwork and mutual aid.

Building socialism, however, is not a triumphal march. In the early years the peoples that chose the socialist road had to repair the damage caused by the war and to overcome the economic backwardness inherited from capitalism, while shouldering substantial expenditures for defense in the face of the constant threat emanating from imperialism. The building of the new society is a complex, contradictory process involving temporary setbacks and struggle to overcome the difficulties and to correct the mistakes inevitably accompanying the emergence of a new socio-economic formation. Concentrating on the outstanding problems and overcoming the difficulties, the Communist and Workers' parties in the socialist countries are working to expand the productive forces and increase the productivity of labor, to achieve

*This is the first of a series of articles on the twentieth anniversary of the end of the Second World War and on building socialism in the People's Democracies.

maximum efficiency in the management of industry, to extend democracy in public life, to accelerate scientific and cultural progress, to strengthen unity and cooperation between the socialist countries.

The European People's Democracies drew on the experience of the Soviet Union, the first socialist country, enriching and developing this experience and finding new ways of solving problems conforming to their specific conditions. Today the countries gravitating towards socialism and the Communist and Workers' parties fighting for socialism can derive useful lessons from the fund of experience accumulated by the socialist countries.

SOME FEATURES OF BUILDING SOCIALISM

The social changes in the People's Democracies bear out the key thesis of Marxism that transition to socialism is a historical necessity. It is a process that every country will eventually go through.

The victory of the Soviet Union and its allies over Nazism seriously weakened the forces of world imperialism and the domestic reaction in Central and Eastern European countries. Thanks to the existence of a powerful Soviet Union export of counter-revolution and civil war were prevented and favorable conditions created for the struggle for democracy and socialism. The determination of the people not to allow any return to the past and the efforts of the Communist and Workers' parties and progressives generally resulted in far-reaching democratic changes, which not only provided the preconditions for socialist revolution but in many cases merged with measures of a socialist character, or were influenced by the latter and hence were implemented in a more radical and consistent way.

This experience contributed much to the treatment of such a fundamental problem as the relationship between democracy and socialism, between democratic and socialist changes. It has shown that in our time the democratic and socialist phases of the revolutionary process tend to approximate to one another; democratic change is closely interwoven with socialist change, the two uniting in a single current leading towards socialism.

As the revolutionary process developed, new aims and tasks advanced to the fore. The revolution began in most of the countries as a popular democratic upheaval and then gradually developed into the socialist revolution which reconstructed the political, economic and ideological spheres of life. At times it

was impossible to discern any demarcation line between its stages; in some countries the first steps taken by people's democracy were also the initial steps of the developing socialist revolution.

This combination of the struggle for democracy with the struggle for socialism is of cardinal international significance today. The Communist and Workers' parties in the newly-free countries and in the developed imperialist states are faced with this problem; in our time there can be no consistently democratic progress without progress towards socialism. And, conversely, progress towards socialism presupposes the deepening of democracy in all areas of life. The significance of this law of the revolutionary process is now greater than ever in view of the new alignment of class forces on the international plane, the shrinking of the social base of reactionary regimes, the broadening of the front of struggle for democracy and social progress, and the maturing of the objective conditions for socialist change.

Marxist-Leninists have always held that for the proletariat coercion is not an end in itself but a means forced upon it by the recourse to violence on the part of the classes departing from the arena of history. The attempts made by the reactionaries to unleash civil war (Poland), to organize counter-revolutionary armed actions (Rumania) or to engineer putsches (Hungary and Czechoslovakia) were foiled primarily because by that time they were deprived of the decisive instruments of coercion, and the key positions in the people's militia, the new security bodies and the army were in the hands of the proletariat.

The further development of the socialist revolution and the implementation of socialist changes was pivoted on the people's government. This greatly limited the opportunities of the classes which were being overthrown to organize large-scale armed resistance and enabled the revolutionary power to build up the preponderance of strength needed for successful advance toward socialism. In this sense we can speak of the predominance of peaceful methods of struggle after the establishment of people's power. From the very beginning the crystallizing socialist state was able to concentrate mainly on positive, constructive activities and to keep down the human sacrifices and losses of spiritual and material values inevitable at momentous turning points in history.

Social reconstruction in the European socialist countries has enriched Marxist-Leninist theory concerning the political organization of society on the way to socialism. State

power in the People's Democracies was built on a broader social base than originally in the Soviet Union. Bulgaria, the German Democratic Republic, Hungary, Poland and Yugoslavia all made use of many traditional forms of state organization.

In other words, the revolution did not sweep away the whole of the previous government machinery, but reorganized it on a democratic and socialist footing, "piecemeal," over a comparatively long period of time. In several of the People's Democracies transitional forms of political organization first emerged, with the working class playing the leading role and the Communist and Workers' parties exerting a growing influence. Thanks to these transitional forms, radical social changes could be effected gradually, on the basis of the existing constitutions. For instance, summing up the events of February 1948 in Czechoslovakia, the Central Committee of the Communist Party stated: "The revolutionary process took an essentially peaceful course; witness, for instance, the constitutional solution of the government crisis. The working class, headed by the Communist Party, did not overlook the necessity of being prepared if need be to defend the revolutionary gains arms in hand."

Since they did not have to go through a civil war or a period comparable to that of war communism in the USSR, the European People's Democracies were able to dispense with such emergency measures as disfranchising members of the former exploiting classes and granting electoral privileges to the working class, and this helped to enlist the mass of the people in administering the affairs of state.

Comparison of the experience of the socialist revolutions in Central and Eastern Europe with the October Socialist Revolution in Russia illustrates the trend of the world revolutionary process.

In the conditions of capitalist encirclement and imperialist intervention, the armed uprising of the Russian workers and peasants aimed at the conquest of power developed into civil war against home and foreign reactionaries who tried to strangle the revolution. Coercion at the time of establishing Soviet power was a response mainly to the sharpness of the class struggle, to the constant threat of imperialist attack on the first socialist state in the world.

Things were different at the time of the people's democratic revolutions. The alignment of forces both in these countries and on the international arena laid its imprint on the forms of transition to socialism, the forms of the dictatorship of the proletariat.

At the end of the Second World War, as a result of the role played by the Soviet Union in the victory over Hitler fascism, it was possible to prevent the conflict between contending classes from assuming the scale and violence that characterized the October Revolution. Although the working class and its allies did not succeed in winning power for the people exclusively by peaceful means, the socialist revolution developed and the new society was established here by and large without civil war or foreign intervention.

The growing strength of the socialist world system, the national-liberation movement and the struggle of the working class in the capitalist countries increasingly weakens capitalism and creates a new climate for the unfolding of the revolutionary process. This gives rise to more favorable conditions for the transition to socialism in some countries in a less difficult, peaceful way, utilizing also the parliamentary forms of struggle. Needless to say, the course the revolution will take depends not only on the working class, which must always be prepared to rebuff the counter-revolutionary moves of the exploiting classes.

The enlistment of diverse social groups and political forces in building the new society is a feature of social development in the People's Democracies. The experience of these countries has proved the fruitfulness of the policy of broad class alliances with the working class continuing to play the leading role; this broadens the social base for the reconstruction of society and facilitates the transition to socialism.

In all the socialist countries of Europe the decisive motive force of socialist reconstruction has always been the working class leading the working peasantry and the intelligentsia. The split in the working-class movement has been overcome, and in some of the countries the Communists and Social Democrats have joined in united Marxist-Leninist parties.

At the same time one of the main features of the transition to socialism in the countries of Central and Eastern Europe is the more extensive enlistment in production and especially in political activity of the urban middle sections (handicraftsmen, small shopkeepers and other property owners). Cooperation with these groups is both possible and necessary because, on the one hand, they perform important economic functions, and, on the other, because their fundamental interests coincide in the final analysis with the interests of the working class; they have been gradually included in the socialist scheme of things by means of both persuasion and

diverse political and economic measures. As for the bourgeois elements in the countryside, these were eliminated primarily by economic means. In a number of countries (such as Czechoslovakia, Hungary, Rumania and the GDR) the big farmers were allowed to join cooperatives on certain conditions. In this way erstwhile exploiters of labor were given an opportunity to join in the common labor effort.

Important lessons can be drawn from the cooperation of the different political parties in building socialism in most of the People's Democracies. The leading role of the working class and its Party does not preclude the participation in socialist life of other parties representing different social groups supporting the common line of building the new society.

Numerous forms of cooperation between the Communist and other political parties have been evolved; joint participation in the practical work of building the new society, in governmental and other administrative bodies, and inter-party coordination committees. This makes cooperation among parties realistic and concrete.

An important organizational form of the political alliance of the working class and the peasantry and other sections of the population is the National, People's or Fatherland Front. In countries where there are several parties the Front is a useful form of cooperation between the parties and other public organizations. The participation of the National Front bodies in government, in election campaigns and in exercising effective public control over the administrative apparatus helps to deepen socialist democracy and to draw the public into active participation in the building of socialism.

Nationalization of industry, transport and banking, a necessary condition for the transition to socialism, was also effected in a somewhat specific way in the European People's Democracies. As distinct from the Soviet Union, where socialization began with the more or less simultaneous nationalization of all large-scale industry, here the process was gradual, often passing through transitional forms.

The experience of the People's Democracies has likewise shown that at a certain stage it is advantageous for the socialist state to allow private enterprise in retail trade and small-scale industry, in the handicrafts and the service sphere. The example of the GDR, Poland, Hungary and Yugoslavia has demonstrated that socialist reorganization of the handicrafts, small industry and retail trade requires prolonged preparation

and the utilization of flexible forms of organization, including cooperation between small private proprietors and state enterprises as well as other types of cooperative endeavor.

Each socialist country projects its industrial perspectives in keeping with its internal and external conditions, historical, economic and geographical features and experience. Harmonious development of both heavy and light industry, ensuring against protracted economic imbalances, yields the best results.

In the European People's Democracies industrial output has increased many times over as compared with output on their present territories before the war. Many new branches of industry have been developed and the share of engineering and chemistry in the gross industrial output has increased substantially.

The facts of economic life, however, teach that the machinery of the socialist economy, once it has been set going, is not guaranteed against complications or hitches for all time. Management, planning methods and incentives to greater efficiency must be constantly improved. Timely tackling of problems corresponding to the dictates of the time and of the technological revolution in particular are indispensable to industrial advance and fuller satisfaction of society's needs.

In the last ten years the production capacity of the European socialist countries — their fixed funds in industry, transport and agriculture — has doubled or trebled and their economic pattern has become more complex and ramified. The need for greater efficiency and technological advance has prompted a number of countries to tackle the replacement of obsolete methods and forms of management and planning with new forms corresponding to the new conditions and requirements. The Communist parties hold that clinging to old methods of running things is one of the reasons for the decline in the industrial growth rate, for the appearance of disproportions in the economy and for the falling off of returns from investments observed in recent years in some of the countries.

In view of this the parties have embarked on far-reaching programs in the sphere of economic policy. All the parties have now set their sights on a qualitatively new system of economic management and far-reaching measures have been worked out, tested or already implemented in some of the countries. In this essentially collective international effort new principles conforming to the objective laws of the socialist mode of production and socialist production relations

are crystallizing. The results so far show that the aim can be achieved by doing away with unwarranted administrative centralization and by making more extensive and consistent use of cost accounting and other stimuli.

A search is underway for methods of planning and management which will leave enough room for independent initiative to enable the various links of the economy to gear themselves more promptly to the rhythm set by the state plan and the economic situation.

Without weakening planned guidance, the parties are seeking to ensure fuller participation by the working people in economic management and to provide every outlet for the initiative of the workers collectively and individually. Consistent application of the new system of planning and management should pave the way to a further growth of the productive forces and the productivity of labor, to the full implementation of the basic principle of socialist economic endeavor — to achieve the maximum results with minimum expenditure.

The socialist reorganization of agriculture in the People's Democracies is likewise of fundamental significance. The solution of the agrarian question in Central and Eastern Europe differs from that in the USSR in that not all the land was nationalized. The bulk of the land taken from the big landowners, the Church and from war criminals was distributed among the peasants.

The tradition of private ownership of land and the preponderance of small cultivators determined the forms and rate of the socialist reconstruction of the countryside. In some countries it is effected through gradual transition from the simplest forms of credit, consumer, purchasing and marketing co-operatives to the higher forms of socialized farm production.

Cooperative farming is now combined with the individual efforts of the peasants on their own plots, which for a long time to come will be valuable sources of additional income to the cultivator and of farm produce for the urban consumer. Notable progress has been made also in the sphere of social insurance for the peasants, who are entitled to sick and disability benefits.

The example of Poland and Yugoslavia in these 20 years shows that, given people's rule, the prolonged predominance of non-cooperated cultivators does not give rise to capitalist relationships on a mass scale, as is the case under capitalism, although it does to some extent preserve the soil for such relations. When the key positions in the

economy are in the hands of the socialist state, and when the people including the bulk of the peasantry actively support the government, it is possible to effect the socialist reconstruction of agriculture by way of establishing state-owned farms and expanding their production facilities through the purchase and opening up of additional land, while promoting diverse forms of cooperation among the non-cooperated peasants, gradually leading them up to socialist forms of farming.

The transition to socialist agriculture is a long and complex process. It requires tireless conscious effort, but it does not tolerate voluntarism in any shape or form, or the replacement of economic levers by administrative measures. But to apply economic levers in a sphere based for centuries on small private property is no simple matter. One of the most serious shortcomings retarding the pace of agricultural development in all the socialist countries was the insufficient application of the principle of material incentives as a means of achieving the steady expansion of production and the lowering of production costs. The overall advance of all branches of agriculture depends on mutually advantageous economic relations between town and country.

Participation by the people in affairs of state and implementation of socialist democracy are indispensable for the advance of socialism. For full exercise of civil rights and freedoms has a decisive influence on all aspects of life and heightens the consciousness and initiative of the people.

In the early years of people's power the legacy of the still recent past laid its imprint on things. The negative phenomena engendered by the personality cult had an adverse effect in this respect. But socialism overcame all the extraneous accretions, alien to its very nature, which had made themselves felt in the life of society.

A new stage was ushered in by the Twentieth Congress of the CPSU. The Communist and Workers' parties restored the Leninist standards of state and Party life and concentrated on extending and strengthening democratic institutions. Socialist legality was restored, and representative bodies given wider powers. Mass organizations (people's front, trade unions, cooperatives and youth leagues) are increasingly taking part in resolving tasks of economic and cultural up-building. In Poland, Czechoslovakia and other countries the electoral system has been developed further with a view to the broadest possible democracy. Public discussion of social

problems is influencing governmental policy more and more. And now new methods of planning and management open up new prospects for deepening socialist democracy and improving the political organization of society.

The Communist and Workers' parties of the European People's Democracies are guided in their activity by Marxist-Leninist theory. Creatively applying this revolutionary theory to the conditions of their countries, they have found it essential to discard many outdated concepts. For only a creative approach to theory, verification in practice of theoretical premises, can guarantee success in building socialism.

The very concept of socialism acquires a fuller and more precise content in the light of the practical experience of the socialist countries. For instance, it can be considered as an established fact that socialization of the means of production and workers' rule meet the needs only of laying the foundations of socialism. Mature socialism presupposes a high standard of well-being for all and the enlistment of the masses in the administration of the state and in management.

DEVELOPMENT OF THE SOCIALIST WORLD SYSTEM

The socialist world system is a commonwealth of countries and peoples without precedent in history. Its emergence is marked by the crystallization of a new type of interstate relations based on the community of the fundamental interests and aspirations of countries and nations, abolition of the old contradictions dividing them, and identity of ideals and aims.

All-round cooperation and mutual aid between the socialist countries are an objective necessity dictated by the laws of socialism. With the emergence of socialism beyond the bounds of one country the sphere of operation of its economic laws expanded, necessitating new forms of economic cooperation and giving rise to an entirely new type of international division of labor.

This is the objective groundwork on which the fraternal cooperation and solidarity of the socialist countries rest.

The voluntary alliance of the socialist nations is achieved, as the past twenty years have shown, in joint struggle against the forces of imperialism and international reaction, which would like to prevent the building of socialism and to turn back the wheel of history. Fraternal friendship is likewise cemented in the process of resolving problems that remain as a legacy from previous social

formations. Moreover, these friendly relations are built between countries at economic levels that are far from equal, even between countries which in the past were at loggerheads or warred with each other.

An examination of the development of the European People's Democracies and of the socialist world generally reveals a certain discrepancy between the development of socialist relationships within the various countries and on the scale of the socialist world system. Although the very nature of the new system affords wide opportunities for multiform ties between the socialist countries, these opportunities cannot for a number of reasons be fully utilized at once. Apart from the contradictions caused by the divergence of specific interests, lack of experience in evolving multilateral economic and political ties complicates the shaping of international relations of a new type.

Another impediment in this respect was the situation which developed during the years of the personality cult. The period since the Twentieth Congress of the CPSU, however, has been marked by the consolidation of the sovereignty and independence of the socialist countries and by the strengthening of truly equal relationships between them. Searches are now under way for more flexible and effective forms and methods of cooperation conforming to both the national aspirations and the international interests of the peoples embarked on building a new life.

The historically conditioned disparity between the levels of socio-economic development of the various socialist countries is a legacy of capitalism which acts as a brake on the progress of the socialist world system. With the establishment of the socialist commonwealth of nations, however, the tendency toward the evening up of these levels asserted itself as an objective law of the worldwide movement towards communism. Promotion of this process of equalization through the accelerated development of all socialist countries is one of the basic tasks facing the socialist world community.

Thanks to the constructive labor and fruitful cooperation of the socialist nations of Europe, and thanks primarily to the fraternal aid rendered by the Soviet Union, the past two decades have seen substantial progress towards evening up the overall front of socialist and communist construction. But in this respect too there still are unsolved problems.

The Council for Mutual Economic Aid plays an important role in the search for better forms of cooperation. The work accomplished by this organization in the past 15 years has

demonstrated the advantages of economic cooperation among the socialist countries. Witness the joint construction of the Friendship Oil Pipe Line on the basis of which the GDR, Poland, Czechoslovakia and Hungary are building up a modern petro-chemical industry, and the joint Peace Power Grid. Collective financing of industrial projects has yielded favorable results. Last year the member countries of the Council for Mutual Economic Aid set up an International Bank of Economic Cooperation to simplify accounting and facilitate the development of multi-lateral relations between the countries of the community.

Much still has to be done in the sphere of international socialist division of labor, but experience shows that economic cooperation is now one of the decisive factors accelerating industrial progress in the formerly backward countries and facilitating the overcoming of the socio-economic disproportions inherited from the capitalist past. In the conditions of the technological revolution, international socialist division of labor is becoming an even more important factor of joint progress in all spheres of the economy.

It is not by chance that in discussing ways and means of improving planning, experts in Czechoslovakia, the GDR, Poland and other socialist countries lay particular emphasis on the need for active participation of international division of labor.

Hence one of the main aspects of the activity of the Council is the promotion of specialization and coordination of production, especially in machine-building, chemicals and iron and steel. Special attention is being paid to removing the obstacles to the further development of cooperation in this field, to creating material stimuli, and applying the principles of cost accounting in the relations between socialist countries.

The Council is gradually acquiring experience in discussing and resolving difficulties encountered owing to the divergent interests of the various countries. Summing up the progress made in harmonizing these interests within the framework of the Council, A. Apro, leading member of the Hungarian Socialist Workers' Party, writes: "In the course of the concrete examination of certain economic problems affecting countries at different levels of development, *disagreement may arise* between member countries of the Council for Mutual Economic Aid. The chief problem is that the national interests, the economic projects of one or another country do not automatically coincide with the interests of the other countries. More, owing to the differ-

ent levels inherited from capitalism, there are almost inevitably bound to be contradictions between the national interests and the interests of the community. These non-antagonistic contradictions can be overcome only under socialism, taking into account the interests of the community as a whole, by comradely mutual assistance, applying the principle of proletarian internationalism which means resolving the contradictions by taking account of the interests of each country and bringing them into harmony with the interests and possibilities of the community as a whole."

It is now clear that the possibilities of promoting international specialization and coordination cannot be the same at all stages of socialist construction, but depend on many factors. Not all the countries are equally prepared to participate in one or another form of economic cooperation, joint planning and coordination. It is extremely important to differentiate the forms of cooperation so that they should suit the actual situation and be applied where and when the conditions for them are ripe.

Complications can be avoided only by strictly observing the voluntary principle, by duly noting the needs and interests of each country, and by patient search for mutually acceptable methods of cooperation. With this in view, studies have been undertaken in recent times for new forms of economic contact between the countries; these studies have led to the establishment of organizations coordinating bearing and metal production, as well as mixed Bulgarian-Hungarian associations in the agricultural and transport machinery industries. Experience has shown that the functioning of the Council for Mutual Economic Aid should be complemented by flexible bilateral and multilateral cooperation between interested countries.

Regular bilateral or multilateral meetings of leaders of the socialist countries, such as the Warsaw meeting held in January, are an important factor making for greater cooperation and cohesion. Constant exchange of information, coordination of foreign policy, and active support of one another in international organizations enable the fraternal countries pursuing an agreed general line to foil the machinations of the reactionaries and pursue a policy according with their common interests in the world arena.

Cultural exchanges have acquired a wide scale.

A signal role in strengthening the defense potential of the socialist community is played by the Warsaw Treaty Organization, which

was established to consolidate the defense might of the member countries in face of the threat emanating from imperialism and revanchism. The Soviet Union's nuclear and missile strength affords reliable protection to the achievements of socialism.

The growing cooperation of the Communist and Workers' parties of the socialist countries is the cement uniting the socialist commonwealth.

Needless to say, although all the parties decide on their program and shape their foreign and home policy independently, they work together as equal political organizations adhering to the common ground of Marxism-Leninism and respecting one another's views.

Unity on the fundamental issues — as regards the basic class objectives — does not of course preclude differences of views on some practical problem of a political or economic nature.

If the parties and government pursue a correct, Marxist-Leninist policy, every opportunity exists for the amicable solution of whatever differences and contradictions may arise, for reconciling national interests with international interests, bringing different shades of opinion into agreement and strengthening their relations on the basis of the principles of equality, mutual benefit and comradely assistance.

Reporting on behalf of the Central Committee to the Fourth Congress of the Polish United Workers' Party, W. Gomulka said: "At the present stage of the international Communist movement when it has become worldwide and the various parties are functioning in highly varied social and political conditions, in countries with differing traditions and at different stages of development, there are bound to be different views on concrete international problems and even differences on ideological questions. But these differences need not necessarily undermine the common front of the world Communist movement, and still less hold the threat of a split, provided they are discussed in a calm, businesslike way and compared with the reality, with a view to achieving agreement guided by concern for the preservation of unity."

Creative, comradely, businesslike exchange of views among representatives of the fraternal parties conducted on a common ideological basis is the way to resolve outstanding issues and to arrive at agreed programs of action.

However, exchange of views does not always lead to agreement. When this happens the best arbiter is revolutionary practice.

The parties consider it essential to prevent ideological differences from being carried over

to inter-state relations. For each socialist country, possibly differences notwithstanding, can make its contribution to the overall victory of socialism if it strictly observes all its commitments to other socialist countries, extends economic, scientific, technological and cultural cooperation with them, builds up their joint defense capability against imperialism, and joins with them in a united front in the international arena.

Ideological differences do not entitle any Party to conduct unfriendly propaganda against another. Whatever their differences, it is in the fundamental interests of all Communist parties to educate the people generally in the spirit of internationalism and mutual aid and support. Internationalism is in no way incompatible with patriotism and a sense of national dignity. As a matter of fact, socialist patriotism complements and promotes internationalism.

Socialism deepens the national consciousness and patriotic sentiment of the peoples, and it is the duty of the Communists perseveringly to combat the canker of nationalism without encroaching on the patriotic feelings of the people.

Enemies of socialism always seize on every divergence of interests among the socialist countries and try to capitalize on the diversity of their ways to socialism in order to disunite them, to sow enmity and suspicion among them and thereby discredit the ideals of socialism.

But these efforts are doomed to fail. The guarantee of this lies in the socialist countries basing their relations on the bedrock of proletarian internationalism, which, on the one hand, promotes the development of national statehood and culture, strengthening the independence and sovereignty of each nation, and, on the other, brings the peoples together in closer cooperation.

The Communist and Workers' parties of the socialist countries are laying the foundation of the coming worldwide commonwealth of socialist nations. The perspectives of socialism on a world scale will largely depend on how well they accomplish this task.

Today there is no area of human endeavor, not a single country, which is not directly or indirectly influenced by the socialist world system. The force of attraction exerted by socialism is directly proportional to its economic strength and its achievements in raising productivity of labor, raising the standard of living, deepening and extending socialist democracy and promoting scientific and technological progress. By bettering the conditions of the working people, socialism is proving

its superiority over capitalism from the standpoint of both society generally and each working man in particular. Herein lies the revolutionizing influence of the socialist world system.

The impact of the socialist example depends on the all-around development of the socialist mode of life taking shape in the Soviet Union and the People's Democracies. Every step forward in this respect is convincing propaganda for socialism and communism.

It is to no small extent due to the example of the socialist countries that steps towards nationalization and planning as dictated by the objective development of the productive forces have been taken also beyond the bounds of the socialist world system. Indeed, measures in this direction have become one of the demands advanced by the masses in the course of the class struggle. Needless to say, the political implications of these measures depend on what classes are in the saddle. But the fact remains that the idea of socialist planning is gaining ground among the peoples.

As a result of the general strengthening of socialism and democracy in our time, the role and activity of the working class in the life of the capitalist countries have grown and its struggle to abolish exploitation has acquired greater scope. The existence of the socialist world system has created for the colonies and semi-colonies favorable conditions for winning political independence, thereby hastening the disintegration of the colonial system. Moreover, the socialist camp has rendered moral, political and material support, including aid in the form of arms, to anti-imperialist national-liberation movements, and is helping the newly-emerged national states to resolve their principal task—the achievement of economic independence.

With the socialist system exercising growing influence on world development generally, socialism is winning more and more support not only among the working class, but also among the peasants, the urban middle sections and the intellectuals.

With the consolidation of world socialism the possibility of preserving world peace is increasing. But it should be borne in mind that international relationships are influenced not only by the socialist but also by the

capitalist system. The imperialists are out to maintain their domination over weaker countries. The principles of peaceful coexistence will triumph only as a result of persistent and unflagging mass struggle. The most reliable bulwark of this struggle—the socialist world system, its strength and unity.

Today all the forces working for peace have joined in a mass movement of protest against the U.S. aggression in Southeast Asia, now the arena of a bitter conflict between U.S. imperialism and the national-liberation movement, which enjoys the active support of the socialist camp and the international working class.

The Soviet Union and the other socialist countries, true to their internationalist duty, demand that an end be put to the U.S. aggression, that encroachments on the sovereignty of the Democratic Republic of Vietnam and other independent states of Southeast Asia be stopped, and are taking steps to render effective aid to the struggle waged by the Vietnamese people.

Try as the imperialists might to halt the march of history by force of arms, the old world of social and national oppression, class conflict and wars is on the way out, and a new world free of exploitation and strife between nations is coming into being. This transition to a new stage of social development takes a complex, at times tortuous and difficult course. The history of socialism is a record of incessant struggle against the forces of international reaction, against the evil prejudices of the past, against erroneous, vulgarized concepts of the nature of socialism itself. The decisive condition of success in this struggle is the continued advance of the new social system. The constant growth of the productive forces, the productivity of labor and the material well-being of the people, consolidation of socialist democracy, constant creation of new cultural values, and the development of creative Marxism-Leninism alone can impart to socialism an impact unprecedented in all history. And the European socialist countries which came into being after the defeat of Hitler's armies twenty years ago are playing an important role in the forward march of world socialism.

Solidarity and unity

PEDRO MOTTA LIMA, ALBERTO FERRARI

FOR THE SEVENTY-FIFTH time the working class, all working men, are celebrating May Day. On this day they review their forces, survey the path traversed in the struggle for emancipation, pay homage to the fallen and, looking forward to the future, rally in militant solidarity and unity to face the common enemy.

In spite of the efforts of the reactionaries in some countries to prevent the celebration of May Day, to emasculate and distort it (and not only by means of bans and repressions, but by the insidious device of instituting other "labor days" having nothing in common with the tradition born at the Paris Congress of 1889 where it was decided to observe the workers' international day on May 1 as a tribute to the Chicago martyrs), it has become part of the very fabric of the proletarian movement.

Since the first May Day celebration in 1890, human society has covered a vast distance. Today there is the growing socialist world counterposed to the declining capitalist world. As a result, the socialist world, the working class and the newly-independent peoples are becoming the decisive factor of world development.

"Our time, the main content of which is the transition from capitalism to socialism initiated by the Great October Socialist Revolution," the 1960 Statement of the Communist and Workers' parties declares, "is a time of struggle between the two opposed social systems, a time of socialist revolutions and national liberation revolutions, a time of the breakdown of imperialism, of the abolition of the colonial system, a time of transition of more peoples to the socialist path, of the triumph of socialism and communism on a world scale."

The contradictions of contemporary society stand out in bold relief in the situation in

which May Day is marked this year. On the one hand, the arms drive is being stepped up and the aggressiveness of imperialism is mounting at an alarming pace. On the other hand, the militancy of the forces of peace and national liberation is growing. Imperialism, out to preserve the outdated system of social exploitation and national oppression, is raising all kinds of obstacles (economic, socio-political and ideological) in the way of social progress. The forces of freedom and progress, growing and gaining strength, find themselves in a better position to overcome these obstacles. Revolutionaries believe that the decisive thing now is the unity of the forces poised in opposition to the forces of the reaction.

Imperialism, and primarily U.S. imperialism, is building up tensions in diverse areas of the world in order to foment new international crises. The imperialist policy makers are bent on using the Johnson Administration to give effect to the extremism of Goldwater which two-thirds of the U.S. electorate rejected at the polls. Washington is persisting in its colonial war in South Vietnam, determined to suppress its people and to maintain a tyrannical regime in power. More, it has resorted to naked aggression against the Democratic Republic of Vietnam, bombing its towns and villages, schools, libraries and hospitals.

The U.S. imperialists show no sign of discontinuing their deliberate provocation against the peoples of Laos, Cambodia and the Congo. They are continuing their criminal machinations against revolutionary Cuba, organizing coups in Central America, shooting down Panamanian patriots on Panamanian soil. They engineered and financed the conspiracy of reactionary generals and corrupt politicians against the legitimate government of President Goulart in Brazil, and the blueprint announced by Thomas Mann, U.S. Assistant Secretary of State for Inter-American Affairs, is pivoted

on all-out support of the most odious dictatorships and the U.S. monopolies in Latin America, which they consider merely the "backyard" of the United States.

The U.S. imperialists are working to involve their allies and puppets associated with NATO, CENTO, SEATO and the Organization of American States. The British Labor Government, having entered into an unsavory deal with Washington, is letting down the workers and other progressives whose votes put it in power. The U.S. imperialists are scheming to put nuclear weapons in the hands of the West German revenge-seekers. And at home, while paying lip service to "freedom," "democracy," and "human dignity," they foster race discrimination, lynch law, the killing of Negroes and of whites who have espoused the cause of the Negro people.

All this underscores the urgent need for solidarity and unity among all the democratic and progressive forces, and also facilitates the achievement of this solidarity. There is growing awareness that disunity, besides being a serious obstacle to anti-imperialist action, can gravely damage the interests of the working class and other democratic forces in all countries. Hence the significance of the May Day call for joint action, for a policy of unity of the working class and all working people, which has already yielded fruit in France, Italy, Chile and other countries.

The international solidarity of the working people is manifest in the mass movements and in the statements made by public personalities condemning the war and U.S. interference in Southeast Asia, exposing the neo-colonialist machinations, provocations and acts of aggression against Cuba and the newly-free countries of Africa, as well as the bloody reprisals in Venezuela, Colombia and Morocco, the racist outrages in the USA, and the policy of systematic terror pursued by the hateful regimes of Franco, Salazar and other survivals of fascism.

The nature of imperialism, needless to say, has not changed. In a way it has become more aggressive and dangerous. But this is not the salient element of the new situation. What stands out is the growing sense of international solidarity, which is rallying people throughout the world to powerful demonstrations against the warmakers generally and above all against the imperialist military intervention in Asia and Africa. Moreover, today the peoples subjected to imperialist pressures enjoy the solidarity of the great camp of socialism, including the world's first socialist state—the Soviet Union. The recent Soviet-Vietnam communique, the aid rendered by the socialist countries, the rising wave

of demonstrations in all countries of the world against the dirty war in Vietnam, the eagerness of thousands to volunteer to fight side by side with the Vietnam patriots—all this leaves no doubt that the imperialists' hopes of victory are built on sand.

A new feature of the world scene is that thanks to the resolve of the people of Cuba and the solidarity of the Soviet Union, the other socialist countries, the working class and the peoples of Latin America and the world, imperialism has not been able, and never will be able, to crush revolutionary Cuba or to halt the movement of solidarity with the first free territory in the Americas, the highest expression of which will no doubt be the conference of Latin-American peoples to be held shortly in Montevideo.

The new situation is characterized also by the growth of the forces of the working class and primarily of the main result of its efforts—the socialist world system. The achievements of the People's Democracies in building socialism, the Soviet Union's progress in expanding production and building communism, its advance in science and technology as evidenced by its accomplishments in space exploration, its firm and active foreign policy aimed at upholding peace and the independence of all countries, big and small, and, lastly, the weight of the entire socialist camp are a guarantee of the triumph of the working people and the nations forging ahead along the path of revolution. To working men everywhere the material and spiritual progress of the socialist countries offers a glimpse into the future of the world.

Another sign of the times is the rising working-class struggles. The recent period has witnessed significant actions in France, Italy, Belgium, Spain, Austria, Britain, Uruguay, Argentina, Chile, Brazil, Morocco, India, South Korea, Japan, Nigeria, the Republic of South Africa, Canada and the USA.

The trade union movement has sponsored a number of highly fruitful international assemblies, such as the Second International Trade Union Conference on issues affecting working women held in Bucharest and attended by delegates from 54 countries as well as the representatives of the World Federation of Trade Unions and the International Labor Organization; the Second Congress of the All-African Trade Union Federation in Bamako, attended by 39 delegations from 35 countries; an enlarged conference of the International Trade Union Committee for consultation and unity of action against the monopolies, in Leipzig, and the International Labor Conference which, despite an adverse attitude of the ILO to influential Italian, French and

Chilean trade union centers, improved the climate for international cooperation.

Testifying to the growth of the conflict between labor and capital, all this gives the lie to the ludicrous claims of the theoreticians of monopoly capitalism that the class struggle is on the wane and that the workers and employers are now cooperating in fraternal partnership and draw equally on the blessings of the "affluent society," "welfare state" and "people's capitalism."

In Latin America we witness, especially due to the influence of the Cuban revolution, a growth of militancy and revolutionary consciousness which has given rise in some countries to acute forms of armed struggle and in others has taken the form of powerful peaceful actions on the part of the workers and the people generally. And in Africa more and more countries are entering the path of non-capitalist development leading to socialism.

The forces of peace are steadily gaining over the forces of war. Experience has shown that the peoples can defeat the aggressors in "local wars" and thus stamp out seedbeds of world conflicts. But the point is to take action in good time to prevent the flames of war from spreading, to fight for peace before the Bombs begin to fall. People everywhere are becoming aware of this.

This, then, is the new feature of the world scene, and one that will assert itself with cumulative force until the final triumph of the cause of peace, national independence, democracy, socialism and communism.

Needless to say, this process is not free from contradictions, obstacles and difficulties. As a matter of fact, the achievements of the forces of progress impel the reactionaries, primarily the U.S. imperialists, towards dangerous acts of desperation imperilling world peace. It should be borne in mind that lack of united working-class action, both in the trade union movement and in the political arena (lack of united action between the Communists, Socialists and other workers' parties), as well as in the progressive and democratic mass movements, insufficient coordination of the three forces merging in the great mainstream of the contemporary world revolutionary movement—the socialist camp, the working-class movement and the national-liberation movement—can only facilitate the aggressive, reckless designs of the imperialists. Hence the Communists, consistent Marxist-Leninists and far-sighted champions of peace, national independence and social progress, are working tirelessly to build up the unity of the working class and the masses

generally on both the national and international plane, and the masses are increasingly coming to see that the struggle of each people is a component of the common struggle, that no secondary considerations or narrow self-interests should be allowed to wall one people off from another, or to be invoked either to repudiate a people's responsibilities to others or to deny it moral, political and material support.

It can be said that the entire history of the working-class and revolutionary movement is a record of struggle for unity. Proletarian internationalism, understood not merely as a matter of casual solidarity on one or another issue but as the essential cement of the international working-class and revolutionary movement, lies at the very foundation of Marxism-Leninism; it was proclaimed by the *Communist Manifesto*, the implications of whose resounding closing summons "Workers of All Lands, Unite!" Lenin subsequently broadened by issuing the call for the unity of the proletariat and the oppressed peoples of the whole world.

The progress made since then in building the unity and solidarity of the working class and the peoples is self-evident. Today the solidarity of the working people, taking varied forms and built on the basis of widely differing concrete programs according with specific internal and external conditions, has developed to a point where any aggression by the reactionaries against any people evokes a wave of protest throughout the world, not to speak of the readiness of the socialist countries, the working class and the peoples generally in all countries to extend a helping hand to the victims of aggression.

It may, then, be said that the call to internationalism issued by the Communists and their consistent internationalist policy have not been in vain. Through day-to-day explanation and example, the Communists are bringing it home to the masses that internationalism, especially in the epoch of imperialism, far from running counter to genuine patriotism, is its necessary complement. As the facts show, the nations that have won independent statehood could not have done so without the aid of the socialist countries, the working class and the peoples of the whole world. In this sense it may be said that the solidarity and unity of the three components of the world revolutionary movement mentioned above are a historical necessity. They represent an objective tendency in social progress. Consequently, temporary difficulties notwithstanding, the labors to build and cement this unity are bound to bear fruit and, conversely,

attempts to divide the working class are doomed to fail, however successful they might seem at one or another moment.

Like all trends in social development, the gravitation towards unity is realized only through the conscious actions of men. An important part is played by the subjective factor which may not conform to one or another extent to the objective requirements of social development since both masses and leaders are exposed to regressive factors working against the unity of the world revolutionary movement. These factors include imperialist propaganda and subversion, bourgeois nationalism, petty-bourgeois voluntarist subjectivism, and national emotional hypersensitivity, to mention only a few. In spite of the existence of an objective basis for the complete unity of the revolutionary forces, these subjective factors are impediments which sometimes jeopardize gains already won.

In other words, the unity of the world working-class and revolutionary movement can be built to the extent that people, aware of its importance, overcome these impediments. Marxist-Leninists therefore consider it imperative to work unflaggingly for greater cohesion in the entire world working-class and revolutionary movement, the Communist movement included.

The unity of the Communist movement is the decisive factor ensuring the solidarity of the working class and the peoples everywhere in the world. Hence the gravity of the differences in the Communist movement should not be underestimated.

But, for all that, the imperialists are making a grave mistake when they equate these differences with the dissension in their own camp and assume that they afford a suitable, if not the last, opportunity to embark on aggression with impunity. The difficulties encountered in relations between the Communist and Workers' parties or between socialist countries are one thing, and the class and interstate contradictions in the capitalist world are another. Whereas the former are difficulties of growth stemming from the development of the socialist camp and unquestionably will be overcome in time, the contradictions in the imperialist camp are part of the irreversible process of its disintegration, decline and eventual downfall.

On the other hand, while the differences in the world Communist movement are an undeniable fact, it is equally undeniable that the overwhelming majority of the parties stand for unity and consistent effort to cement it.

The recent regional conferences and the

multilateral meeting of Communist parties made a valuable contribution to the common effort to strengthen the international solidarity of the revolutionary forces. We refer to the conference of the 22 Latin-American Communist parties, the meeting of representatives of the Communist parties of the Arab countries, and the Consultative Meeting held in Moscow over March 1-5 with the participation of 19 parties.

Both regional conferences afforded an opportunity to exchange views and experiences and resulted in decisions on the basic and most urgent problems. At the Consultative Meeting in Moscow the participants from the outset unanimously underscored the need for joint action against imperialism and for peace, pointing out that united action was the most reliable and effective way to achieve complete unity in the Communist movement as well as in the world working-class and revolutionary movement generally. A statement was unanimously adopted urging the parties to organize joint actions of all progressive and democratic forces in support of the valiant struggle waged by the Vietnam people for independence and freedom against U.S. aggression. The communique adopted unanimously by the meeting, permeated by a desire for unity and testifying in sober and resolute terms to the revolutionary and internationalist spirit which prevailed at the deliberations, emphasized that in the present situation it is more imperative than ever for the Communist and Workers' parties to be aware of their international responsibility and to rally together for joint struggle against imperialism.

These three conferences of Marxist-Leninist parties once again demonstrated the usefulness of exchanges of views and collective examination of common problems as means for paving the way to fuller mutual understanding and joint action by the world Communist and working-class movement. This is a realistic aim since, as the communique points out, that which unites the world Communist movement by far outweighs the present differences.

The communique underscores the independence and equality of all the Marxist-Leninist parties and the impermissibility of interference by some parties in the internal life of others.

It also notes the value of bilateral and multilateral meetings of parties and proposes that an international conference be called in the future.

Experience has shown there is a need for such international meetings, for so far no

better form of intercourse between parties has been devised. Although the ways of ensuring international Communist unity are not immutable (witness the past history of the movement from the First International, the centenary of which was recently celebrated, to the 1957 and 1960 meetings), there can hardly be any doubt that at the present time international conferences remain the highest expression of the unity of the movement.

All participants in the Consultative Meeting agreed that an international conference can be convened only after thorough preparation, the creation of favorable conditions and sufficient common ground to guarantee its success. All the parties at the Moscow conference undertook to intensify their work in this direction.

Nothing could be farther from the purpose of the Moscow conference than to excommunicate from the Communist movement one or another party owing to the present differences, or to impose some particular line on all the parties. The participants pointed out that, differences notwithstanding, it is possible to achieve unity of action on concrete issues.

Unity does not rule out diversity, and diversity presupposes exchange of views. The

point is not to end all discussion, but to conduct it in a fraternal way, in a spirit of unity with a view to achieving greater cohesion. What must be eschewed are polemics with insulting undercurrents jeopardizing unity.

The unity of the *entire* Communist movement, of *all* Communist parties, is both imperative and possible on the basis of a common platform of struggle against the aggressive policy of imperialism, against imperialism and for world peace, for peaceful coexistence of states with different social systems, a platform of resolute support of all movements for national and social emancipation, of solidarity with the peoples of the developing countries, the struggle of the working class and the people generally in the developed capitalist countries, and the nations building building socialism and communism.

The unity of the Communist movement and the solidarity of the peoples of the socialist countries, their loyalty to Marxism-Leninism, and the strengthening of the socialist world system create tangible opportunities for resolving the problems of our time in a new way, safeguarding peace and promoting the cause of democracy, socialism and communism the world over.

May Day

R. AMAYA AMADOR

WITH EVERY PASSING year May First, the international holiday of the working people, acquires an increasingly universal character as more and more people in Europe, Asia, Africa, the Americas and Australia celebrate this occasion. The May Day celebrations can be said to be a kind of barometer indicating the growth of the class consciousness of the working people, their determination to fight for economic and political demands which reflect their immediate and ultimate interests both on a national and international scale. This fact has become particularly tangible in our time, a time of the transition from capitalism to socialism, of the grand victories of the working class, embodied first and foremost in the rise of the socialist world.

The existence of the socialist world—the creation of the revolutionary working class and of all working people—uniting fourteen countries and one-third of humanity, is proof of the correctness of the revolutionary theories propounded by Marx, Engels and Lenin.

The progress made by the working people of the Soviet Union and the other socialist countries, progress which imperialist propaganda can no longer pass over in silence, is an inspiring example to the working people of all countries, proving to them that it is possible to build a just and free society without capitalists and parasitic oligarchies.

Today the idea of socialism has gripped the minds of the working people in the capitalist countries. It is not surprising, therefore, that even reactionaries in some countries find it necessary to promise the masses socialism, not that they have any intention of fulfilling their promise. But the very fact that they have to make such a promise speaks eloquently of the people's striving for socialism.

The celebration of May Day is a manifestation of the mounting struggle of the people, of the ideological awareness of the workers who are more and more clearly beginning to realize that the future rests with them.

TWO WORLDS

Prior to the October Revolution, May Day was not widely celebrated either on a national or international scale. In the principal cities and industrial centers of Europe and America where the proletariat had achieved a certain degree of political organization, May Day was a day of struggle for working class demands, a day which usually ended in police brutality, arrests and often the shooting down of workers. The bourgeoisie did everything to turn this traditional day of the proletariat into a day of repression and murder. By commemorating and honoring those days of struggle, permeated with the spirit of internationalism, we are not only paying tribute to them but are also carrying out our duty as revolutionaries.

In the socialist countries where the working class is at the helm, May Day has become a holiday of all working people, the day when they review the results of their creative efforts and chart new plans, a day of festivity and joy. It has become a day when the spirit of proletarian internationalism, the international solidarity of the working people of the socialist countries with the peoples fighting against capitalism, is manifested in full.

In the world of exploitation May Day is still a day of class battles.

As the working people in the capitalist countries become more politically conscious, the ruling circles employ all means to check

the development of their just struggle—from anti-democratic laws to tear gas, police dogs and machine guns. At the same time they are trying to divert the masses from the revolutionary path by means of demagoguery.

The Catholic Church, especially in Latin America, which has formed Catholic trade unions under the banner of anti-Communism, also tried at first to minimize the significance of May Day as a day of international revolutionary struggle, and to impart to it a religious character. However, in face of the growing movement for unity, and in order to avoid finding itself isolated, the clerical hierarchy has in recent years changed its attitude with the result that in many countries of the continent the workers of different organizations now jointly celebrate May Day.

GROWTH OF THE CLASS-CONSCIOUSNESS OF THE WORKING PEOPLE

After the Second World War the anti-Communists, taking advantage of the complex international situation, were able to cause a deep split in the world trade union movement. Anti-Communism, a rusty weapon salvaged from the arsenal of Hitler, has always been the principal ideological and political weapon of disrupters.

However, thanks to a number of objective factors such as the strengthening of the socialist world camp, the spread of the international Communist and national liberation movements, the position of the disrupters in the trade union movement is weaker today than it was ten or fifteen years ago.

The crisis in anti-Communist syndicalism is to be seen not so much in the decreasing number of the "free" trade unions and the declining prestige of their leaders, as in the growing critical attitude of the masses to the splitting and isolationist policy pursued by the leaders of the "free" and Christian trade unions. The unity movement is gaining momentum, is acquiring more and more concrete forms, and the Right-wing union leaders are, consequently, in a quandary: if they openly oppose unity they will inevitably find themselves isolated; if, on the other hand, they support unity, they will thereby be admitting the failure of their anti-Communist policy. This notwithstanding, trade union leaders in a number of capitalist countries have decided to heed the demands of the masses for unity. As a result they are gradually abandoning, at any rate in the day-to-day struggle, their earlier policy of disruption and strikebreaking.

The unity for which the Communist parties

have been fighting is beginning to manifest itself in numerous mass actions. New trends are taking shape or, as in the case of Latin America, have already crystallized in Socialist parties which for a long time pursued a policy of naked anti-Communism, thus facilitating the disruptive activities of the bourgeoisie. The supporters of these trends are responding to the call of the Communists for joint action, for a dialogue to discuss how best to overcome the tragic split in the international working-class movement.

Learning from their bitter experience, those who in the past were swayed by anti-Communism, are rejecting separatism and taking the road of unity.

The monopolies with their greed for profit and their policy of war preparation are indirectly helping the growth of the class consciousness of the masses. Super-exploitation, the unemployment caused by the technological revolution and automation are spurring on the workers to wage an active struggle for their economic and social demands, a struggle which will eventually develop into a political struggle directed against the monopolies and the governments protecting their interests. The imperialists' armaments race and policy of aggression will have the same consequences. The workers no longer believe in the bourgeois propaganda to the effect that the war industry — the principal industry in some countries, the United States included — means more employment and security. For that matter workers employed in the war industries too are not sure of the morrow. Hence, the overwhelming majority of the workers in the capitalist countries are, together with other progressive forces, opposed to the preparations for a nuclear war, are calling for peace and peaceful coexistence.

STRENGTHENING OF THE UNITY OF THE WORKING PEOPLE

Capitalism and reaction can be defeated on a national and international scale only through the joint actions of the working people. The ruling capitalist circles view the international holiday of the working class with bitter hostility precisely because on this day the workers demonstrate their unity and class solidarity, irrespective of nationality, religious beliefs or political convictions.

A few words about the struggle of the working people of town and countryside in the so-called "free world." Western Europe today is like a battlefield where the forces of labor are pitted against the monopolies, against the policy of war, against West Ger-

man revanchism and the revival of fascism, for democracy, peace and life. The successes won by the working people in Italy, France, Spain, Finland and other countries prove the correctness of the strategic and tactical line pursued by the political vanguard of the peoples of these countries.

In the United States, too, the working people are freeing themselves from the illusions spread by the monopolies, are beginning to realize that the aggressive policy of the monopolies and ultra-reactionary militarists is fraught with dangerous consequences. The strike movement is spreading. The Negro civil rights movement is one of the most significant features of the contemporary history of this country and of the entire American continent where 90 miles from the shores of the United States little Cuba is building a socialist society and showing a revolutionary example both to the exploited and oppressed Latin American peoples and to the people of the United States.

In Latin America the imperialists have tried through the "Alliance for Progress" to prevent the development of the national liberation movement. When this program failed they resorted to anti-Communist and anti-labor dictatorial military regimes. The working class replied to this by intensifying the struggle, closing their ranks and looking for a revolutionary solution to their problems. More clearly than ever before, they realize that they can, like the heroic people of Cuba, cast off the chains of imperialism and the oligarchy, and build a society free of exploiters.

The victorious struggle of the peoples of Africa and Asia against colonialism is merging into a powerful anti-imperialist torrent. History is giving the peoples of these areas of the world the happy possibility, which the Latin American peoples were deprived of in the last century, of taking the non-capitalist way thus escaping the sufferings that capitalism brings in its wake, and of subsequently embarking on the socialist road.

Imperialism, it is true, is still strong. It can still strike out at the peoples of Latin America, the Congo, Vietnam, Laos and other areas of the world. But it is no longer omnipotent. The working people throughout the world, including the imperialist countries, are resisting the aggressors and voicing their fra-

ternal solidarity with the victims of aggression. By these actions the masses are cementing their unity. And if imperialism's blows are countered by the masses uniting their forces and waging the patriotic, revolutionary liberation struggle with still greater vigor, victory will be theirs. A feature of the present stage of the world revolutionary process is the worldwide scale of the solidarity movements, and, in the first place, solidarity with the peoples who have been subjected to aggression or who are waging a national-liberation war. The masses realize that their struggle on a national scale is an integral part of the struggle against imperialism on a world scale, that the cause for which they are fighting is the cause of all peoples, irrespective of race, nationality or religion.

Solidarity and unity — these are the two conditions that will make possible the people's victory over imperialism, colonialism and neo-colonialism.

SOCIALISM IS MAN'S FUTURE

The spokesmen of capitalism would have the world believe that capitalism is the best of all worlds, that the "free Christian world" is "superior" to the new socialist states. This is the wishful thinking of the professional anti-Communists who will keep inventing sonorous-sounding names for the senescent capitalist society. But life is disproving their inventions.

No matter what stratagems the spokesmen of capitalism resort to they are powerless to exorcise the class struggle which is sapping the foundations of capitalism. To do this they would have to abolish themselves, i.e., the society made up of antagonistic classes. Only a social revolution can resolve the growing contradictions in this society.

The peoples look with hope to the future, to the time when real freedom, justice and social progress will prevail. The aspiration of the peoples is becoming the reality in the socialist countries where the former slaves of capital have attained human dignity, where class contradictions are things of the past, where the foundations of a communist society are being laid, a society in which men will live as one great peaceful, free, cultured, happy and truly human family.

Program for strengthening collective and state farms

SERGEI TRAPEZNIKOV

IT IS A LENINIST TRADITION of the Communist Party of the Soviet Union to approach the problems of economic and cultural development from the positions of creative Marxism-Leninism, drawing on the lessons of history and the experience gained in the practical building of communism to resolve contradictions and clear the way for further progress. An example of this approach was the March 1965 meeting of the Central Committee, which examined the entire range of economic and political problems connected with the development of our agriculture. The documents adopted contain generalizations of theoretical and practical importance concerning the development of the socialist economy, the methods of Party leadership in this sphere, and the strengthening of the worker-peasant alliance. This meeting marked a turning point in building up the productive forces of Soviet agriculture.

The Party attaches prime importance to consolidating and developing the socialist economy. Much was done in this respect after the September 1953 meeting of the Central Committee, which laid down the guidelines for agriculture. The Party and the people set to work with a will to carry out these decisions. Tens of thousands of farm experts, Party workers and administrative functionaries went to the rural areas to help with the job. Much was done to strengthen the collective and state farms and to improve their material and technical base. An important part was played by the cultivation of large areas of virgin land in the eastern regions.

As a result the first five years witnessed a substantial expansion of the cultivated area, a growth of gross and marketable output, and an improvement of the supply of farm produce to the population.

In the first five years following the September 1953 meeting, grain production increased by 3,600 million poods (one pood equals 16 kilograms or 36 lbs.)—from 5,000 million in 1953 to 8,600 million in 1958. State grain purchases

went up from 1,900 million poods in 1953 to 3,500 million in 1958, or by more than 80 per cent.

Progress in grain growing created favorable conditions for all other branches of farming, in particular livestock raising. Between 1953 and 1958 the number of head of beef and dairy cattle in all types of farms taken together increased by 27 per cent (including a 32 per cent increase in cows), while the number of hogs went up by 45 per cent and of sheep by 30 per cent.

In comparison with prewar, production of marketable grain nearly doubled, meat production doubled, and output of milk and wool increased 2.5-fold. Other agricultural items likewise showed a marked upswing. For instance, the cotton crop doubled, and output of sugar beet trebled.

But these successes were not consolidated and followed up. Things began to be run by orders from the top. Unwarranted interference from above in farm affairs violated the democratic principles of collective farm life. The correct line laid down by the Central Committee in September 1953 was violated and a voluntaristic approach to issues of farm development increasingly impeded progress.

Predilection for spectacular performance without due attention to the necessary economic groundwork led to violation of the objective laws of the economy. Central bodies handed down recommendations and directives without always properly taking into account the local natural and economic conditions and experience. Instead of genuinely scientific methods of leadership based on profound objective examination of the state of affairs, stereotyped patterns were devised which minimized the creative initiative of the peasants. Important economic laws and principles of socialist management were ignored. Especially was this evident in the purchase of farm produce. In some districts the procurement prices of a number of products, in particular livestock

produce, did not even cover cost of production. As a result many collective and state farms operated at a loss and were unable to proceed with extended reproduction.

In the drive to expand the cultivated area scant attention was paid to the vital things—more efficient cultivation and soil improvement. This made itself felt primarily in the case of such crops as wheat, rye, rice, buckwheat and millet.

Economic levers were supplanted by numerous and often artificial reorganization schemes. For instance, in 1962 the local Party and governmental bodies were divided into industrial and agricultural bodies without any justification whatever. This tended to disorganize things and to introduce elements of instability and uncertainty. Such style and methods of leadership impeded proper training of personnel and impelled people to take a non-critical approach to the results of their labor. Practical organizational work requiring profound scientific insight into the political, economic and production activities of the collective and state farms was often replaced by endless meetings and the adoption of innumerable reports, messages of greeting and resolutions.

In recent years a large number of collective farms were reorganized into state farms. Unwarranted mergers of collective farms were widely carried out. As a result many state and collective farms were too unwieldy for efficient management. Especially adverse was the effect of this kind of reorganization on the collective farms. Democratic procedures were violated in some of the farms, and a voluntarist approach to the collective farms engendered the erroneous notion that this type of socialized endeavor had expended itself and that hence the time had come to convert them into state farms.

All this had serious consequences. Beginning with 1959, the rate of growth in agriculture declined and targets were not reached. According to plan, agricultural production was to increase by 70 per cent in the seven years from 1959 to 1965. In six of the seven years the growth was only 10 per cent. Whereas in 1955-1959 farm output increased at an annual rate of 7.6 per cent, the growth rate declined to 1.9 per cent. The slow-down was particularly apparent in grain crops and in livestock raising.

Disturbed by this state of affairs, the Central Committee, meeting in October-November 1964, criticized the shortcomings and the incorrect managerial methods. Extensive work, with leading farm experts, and activists of the local Party organizations and soviets taking part, was undertaken under the leadership of the Central Committee to examine things on the collective and state farms and to work out the most effective methods of management.

In the light of the tasks, the Central Committee meeting in March this year focussed attention on the need for a profound study of the laws of the socialist economy, full utilization of its advantages, mastery of the Leninist style

of leadership of the masses, resolute extirpation of subjectivism and all manifestations of voluntarism in the theory and practice of building communism.

The measures taken include primarily an improved procurement and purchasing system. The former approach to procurement plans did not always meet the interests of both the state and the given farm and hence failed to provide adequate incentive for steady growth of farm production. As a rule, these plans lacked stability, being drawn up for only one year, often without a sufficiently differentiated approach to the possibilities and specialization of the collective and state farms concerned. Besides, they were subjected to frequent changes—usually hiked up—in the process of realization. This, far from affording an incentive to increase production and labor productivity, introduced an element of uncertainty.

The measures undertaken in fulfilment of the March decisions put an end to these abnormalities. Agricultural management is now being placed on a truly scientific foundation. Cost accounting, the principle of economic expediency, is being restored everywhere.

Lenin's approach to these questions proceeded from the thesis that a feature of the entire period of socialism would be the development of public property based on economic advantage. The new society would be built, Lenin said, "not on enthusiasm as such, but, with the aid of the enthusiasm born of the great revolution, on personal interest, on personal incentive, on economic advantage."

Lenin perceived the significance of cost accounting, of economic advantage, and personal interest under socialism, and did not hesitate to employ such economic levers as prices, credit and profit in order to stimulate the growth of production and the productivity of social labor. Today capitalist propagandists, commenting on the decisions of our Central Committee, are trying to make it appear as if the use of these levers represented practically a return to capitalism. The fact is that the use of these levers is a method of socialist management fully conforming to such principles as control over the measure of labor and the measure of consumption and distribution according to labor. As we know, these principles are inherent in socialism as a social formation.

After a thorough study of the situation, the Central Committee decided to go over as of this year to fixed and economically realistic procurement plans drawn up for several years ahead. These plans should ensure harmony between state interests and the interests of producers. Harmony of interests will stimulate farm production all along the line and provide greater incentives to all sections of the agricultural population.

The state grain purchasing plan for 1965 has been reduced from 4,000 million poods to 3,400 million, and the same level is to be maintained until 1970 inclusive. Plans taking into account the conditions of each zone have been drawn

up for the republics, regions, territories, districts and for collective and state farms.

This is a new departure fully conforming to the Leninist principles of socialist management giving free rein to initiative and enterprise.

During the transition to the New Economic Policy Lenin pointed out that it was necessary to observe three basic principles in economic relations with the countryside: realistic and fixed plans; stable planning over an extended period of time; guaranteed prices and extensive promotion of state purchase of produce. This makes it possible for each farm to plan in advance and clearly to define its perspectives.

The radical reorganization of the procurement system is complemented by substantial increases in the prices paid by state purchasing organizations. The price of wheat, for instance, has been increased on the average from 74 to 83 rubles per ton in the case of collective farms and from 48 to 60 rubles in the case of state farms; the price paid to collective farms for rye has been raised from 75 to 92 rubles per ton and to state farms, from 57 to 75 rubles. Sliding price scales, which failed to provide an incentive to the collective and state farms to increase their crop yields and productivity of livestock and to cut production costs, have been abolished.

This puts an end to a situation where farms incurred a loss by growing crops. The collective and state farms are ensured a substantial material gain which puts them on a more profitable footing.

Measures are also outlined to promote grain growing in the non-black earth belt. Here the price paid the collective farms for rye and wheat has been raised from 85 to 130 rubles per ton. The same proportion has been observed in the case of the state farms in this belt. In deciding on this increase it was borne in mind that these areas used to be big growers of rye, oats, buckwheat and other crops. Their cultivated area exceeds 40 million hectares, or one-fifth of the total for the country as a whole. Moreover, it is a zone with stable rainfall which, with the right farming methods, is a guarantee of regular good harvests. As distinct from many other districts which are subject to frequent droughts, etc., the non-black earth belt offers the most stable conditions for agriculture. Hence the vast economic significance of promoting farm production here.

Since the fixed purchase plan does not take care of all the needs of the country, it is proposed to buy the surpluses remaining in the collective and state farms after the plan has been fulfilled. Such sales are to be strictly voluntary, and the price paid will be 50 per cent higher than the basic purchase price for wheat and rye. No quotas will be set for such above-plan purchases.

The same system will apply to livestock. The present purchase prices for planned procurements are increased from 20 to 55 per cent for beef and dairy cattle, 30 to 70 per cent for hogs, and 10 to 70 per cent for sheep.

Reduction of the obligatory procurement plan, the increased purchasing prices and the opportunity now afforded the collective farms freely to sell part of their produce at higher prices is bound to benefit both grower and consumer. It should be mentioned that the higher prices paid to the producer for livestock, grain and cereals generally will not affect retail prices. In undertaking to finance the expenditure involved by redistributing budgetary funds the Party and Government are confident that the outlay will be redeemed a hundred-fold.

The added incentives are complemented by a new method of taxing the income of the collective farms which will substantially improve their financial and economic position. According to a decree issued by the Presidium of the Supreme Soviet, collective farm income tax will be assessed on the basis of net, not gross, income.

The stable procurement plans, higher purchase prices and the tax relief provide a sound foundation for normal agricultural development. Moreover, the Central Committee has directed the Party and agricultural bodies to put an end to the petty tutelage over the farms and to allow them to manage their affairs independently. The performance of state and collective farms will be judged not by a multitude of indicators but by one synthetic criterion: profitability.

The importance of this can hardly be overestimated. More profitable production provides a powerful incentive for each farm and each agriculturist to increase output and productivity of labor while cutting production costs. Successful application of profitability as the criterion of economic performance promises to have far-reaching results.

To ensure success agriculture will get more machines and other equipment. There is still a shortage of tractors, combine harvesters, trucks and other machines. Repair services, operation efficiency and maintenance of machines as well as the training of operators, engineers and technicians still leave much to be desired.

The Soviet Union's achievements in electric power development are common knowledge, yet electrification of agriculture lags far behind. Only four per cent of the electricity consumption in the country falls to the share of the countryside, and only two per cent is used in farm production.

Investment in equipment in the next five years has been set at the highest figure ever—71,000 million rubles, as much as the total for the nineteen years since the war. The bulk of this sum is earmarked for mechanization, fertilizers, irrigation and service facilities.

Tractor output is to be brought up to 625,000 annually in the next five years, nearly double the figure for 1964. Manufacture of harvesting combines is to be expanded from 84,000 to 125,000 annually. Over 1,000,000 trucks will be supplied to the farms as against 394,000 in the

past five years. To ensure the projected increase in the output of farm equipment nearly 80 new plants or factory departments are to be built at a cost of more than 4,000 million rubles.

It is also proposed to build in the coming five years nearly 200 repair works and another 1,000 specialized repair shops, and completely to reconstruct the existing maintenance facilities. Emphasis is also laid on farm electrification and the agencies concerned have been instructed to draw up a long-range plan with a view to solving this major economic problem within the next few years.

An important role in insuring a radical upswing in agriculture belongs to scientists. As the documents of the Central Committee meeting point out, the nation expects much from its researchers. At the same time the meeting stressed that every assistance should be given to researchers and condemned any tendency to look down upon specialists and to ignore their advice. This was in keeping with Lenin's counsel to learn to value science and to repudiate the "Communist conceit" of dilettantes and bureaucrats.

The Central Committee laid down the guidelines for the future development of the collective farms and the state-owned farms, pointing out that both types of socialized farming are bound to exist and develop side by side for a long time to come. "At the present stage," L. I. Brezhnev said in his report, "it is our duty not to accelerate the conversion of one of these forms into the other, but to facilitate in every way the development and thriving of both types of socialized economy."

The task now is to strengthen and consolidate both the state farms belonging to the entire people and cooperatively-owned collective farms. Only on this sound basis can the continued progress of the productive forces in agriculture be ensured. As for which are more important, the collective farms or the state farms, and what the future unified form of socialized farming will be, the answer can be provided only by experience.

The far-reaching implications of the decisions of the March meeting of the Central Committee are evident also in the fact that the new system of planning, with only the fixed planned procurements stipulated from above, the introduction of the principle of economic expediency throughout agriculture, and the independent conduct of their affairs by the state and collective farms mark a big step forward in the deepening of socialist democracy in farm management. And this is associated with the deepening of democracy in the collective farms.

The Central Committee considered it necessary to draw up a new Statute of the agricultural cooperatives as an important step in

strengthening the collective farm system, and also to start preparations for a Congress of Collective Farmers, which it is planned to convene in 1966. The congress will be preceded by district, territory, region and republic congresses. These measures taken together will make it possible to develop and consolidate an integrated structure for the democratic self-management of the cooperative-collective farm system.

* * *

The March meeting of the Central Committee made it clear that socialist economy can function effectively only if its guidance is correctly organized and if all the economic levers of state regulation are used properly. Only under these conditions can the vast advantages inherent in socialist agriculture be realized. Soviet agriculture is unequalled for scale, and is distinguished for its high degree of concentration of production and of fixed funds. This provides favorable conditions for mechanization and intensive up-to-date farming. All the pre-requisites exist for a substantial increase in production for the market. Agricultural science has been placed in the service of the crop farmer and livestock breeder. And centralized training of personnel ensures the application of the findings of science.

To make the best use of the opportunities, a great deal of creative effort will be needed. This was correctly stressed in an article in *Pravda* by N. Popov, the chairman of the Lenin Collective Farm in Bolshechernigovsky District, Kuibyshev Region. "The impression may be created that everything will now be easy and simple and that success will come of itself without much effort or bother," he says, commenting on the Central Committee decisions. "I must admit I find such views unpleasant to hear. Practical people should know better. Nor is there any need for idle talk. . . . Our possibilities are tremendous—but so far they remain mere possibilities. The point now is to take advantage of these possibilities, to use them to accelerate reproduction. And this, we know, requires much hard work."

To carry out the Central Committee decisions, not only the farmers but also the makers of machines, chemists, transport workers, researchers and economists must put their shoulders to the wheel. All branches of the economy have a direct or indirect part to play in advancing our agriculture.

There is no doubt that the far-reaching economic measures outlined for agriculture will inspire the people to greater effort, stimulate the initiative of all farm experts and managers, of all farmers, give them every opportunity to make full use of their abilities, promote enterprise, and ensure the maximum utilization of the vast potential of the socialist system of economy.

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This is a new departure fully conforming to the Leninist principles of socialist management giving free rein to initiative and enterprise.

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This puts an end to a situation where farms incurred a loss by growing crops. The collective and state farms are ensured a substantial material gain which puts them on a more profitable footing.

Measures are also outlined to promote grain growing in the non-black earth belt. Here the price paid the collective farms for rye and wheat has been raised from 85 to 130 rubles per ton. The same proportion has been observed in the case of the state farms in this belt. In deciding on this increase it was borne in mind that these areas used to be big growers of rye, oats, buckwheat and other crops. Their cultivated area exceeds 40 million hectares, or one-fifth of the total for the country as a whole. Moreover, it is a zone with stable rainfall which, with the right farming methods, is a guarantee of regular good harvests. As distinct from many other districts which are subject to frequent droughts, etc., the non-black earth belt offers the most stable conditions for agriculture. Hence the vast economic significance of promoting farm production here.

Since the fixed purchase plan does not take care of all the needs of the country, it is proposed to buy the surpluses remaining in the collective and state farms after the plan has been fulfilled. Such sales are to be strictly voluntary, and the price paid will be 50 per cent higher than the basic purchase price for wheat and rye. No quotas will be set for such above-plan purchases.

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Reduction of the obligatory procurement plan, the increased purchasing prices and the opportunity now afforded the collective farms freely to sell part of their produce at higher prices is bound to benefit both grower and consumer. It should be mentioned that the higher prices paid to the producer for livestock, grain and cereals generally will not affect retail prices. In undertaking to finance the expenditure involved by redistributing budgetary funds the Party and Government are confident that the outlay will be redeemed a hundred-fold.

The added incentives are complemented by a new method of taxing the income of the collective farms which will substantially improve their financial and economic position. According to a decree issued by the Presidium of the Supreme Soviet, collective farm income tax will be assessed on the basis of net, not gross, income.

The stable procurement plans, higher purchase prices and the tax relief provide a sound foundation for normal agricultural development. Moreover, the Central Committee has directed the Party and agricultural bodies to put an end to the petty tutelage over the farms and to allow them to manage their affairs independently. The performance of state and collective farms will be judged not by a multitude of indicators but by one synthetic criterion: profitability.

The importance of this can hardly be overestimated. More profitable production provides a powerful incentive for each farm and each agriculturist to increase output and productivity of labor while cutting production costs. Successful application of profitability as the criterion of economic performance promises to have far-reaching results.

To ensure success agriculture will get more machines and other equipment. There is still a shortage of tractors, combine harvesters, trucks and other machines. Repair services, operation efficiency and maintenance of machines as well as the training of operators, engineers and technicians still leave much to be desired.

The Soviet Union's achievements in electric power development are common knowledge, yet electrification of agriculture lags far behind. Only four per cent of the electricity consumption in the country falls to the share of the countryside, and only two per cent is used in farm production.

Investment in equipment in the next five years has been set at the highest figure ever—71,000 million rubles, as much as the total for the nineteen years since the war. The bulk of this sum is earmarked for mechanization, fertilizers, irrigation and service facilities.

Tractor output is to be brought up to 625,000 annually in the next five years, nearly double the figure for 1964. Manufacture of harvesting combines is to be expanded from 84,000 to 125,000 annually. Over 1,000,000 trucks will be supplied to the farms as against 394,000 in the

past five years. To ensure the projected increase in the output of farm equipment nearly 80 new plants or factory departments are to be built at a cost of more than 4,000 million rubles.

It is also proposed to build in the coming five years nearly 200 repair works and another 1,000 specialized repair shops, and completely to reconstruct the existing maintenance facilities. Emphasis is also laid on farm electrification and the agencies concerned have been instructed to draw up a long-range plan with a view to solving this major economic problem within the next few years.

An important role in insuring a radical upswing in agriculture belongs to scientists. As the documents of the Central Committee meeting point out, the nation expects much from its researchers. At the same time the meeting stressed that every assistance should be given to researchers and condemned any tendency to look down upon specialists and to ignore their advice. This was in keeping with Lenin's counsel to learn to value science and to repudiate the "Communist conceit" of dilettantes and bureaucrats.

The Central Committee laid down the guidelines for the future development of the collective farms and the state-owned farms, pointing out that both types of socialized farming are bound to exist and develop side by side for a long time to come. "At the present stage," L. I. Brezhnev said in his report, "it is our duty not to accelerate the conversion of one of these forms into the other, but to facilitate in every way the development and thriving of both types of socialized economy."

The task now is to strengthen and consolidate both the state farms belonging to the entire people and cooperatively-owned collective farms. Only on this sound basis can the continued progress of the productive forces in agriculture be ensured. As for which are more important, the collective farms or the state farms, and what the future unified form of socialized farming will be, the answer can be provided only by experience.

The far-reaching implications of the decisions of the March meeting of the Central Committee are evident also in the fact that the new system of planning, with only the fixed planned procurements stipulated from above, the introduction of the principle of economic expediency throughout agriculture, and the independent conduct of their affairs by the state and collective farms mark a big step forward in the deepening of socialist democracy in farm management. And this is associated with the deepening of democracy in the collective farms.

The Central Committee considered it necessary to draw up a new Statute of the agricultural cooperatives as an important step in

strengthening the collective farm system, and also to start preparations for a Congress of Collective Farmers, which it is planned to convene in 1966. The congress will be preceded by district, territory, region and republic congresses. These measures taken together will make it possible to develop and consolidate an integrated structure for the democratic self-management of the cooperative-collective farm system.

* * *

The March meeting of the Central Committee made it clear that socialist economy can function effectively only if its guidance is correctly organized and if all the economic levers of state regulation are used properly. Only under these conditions can the vast advantages inherent in socialist agriculture be realized. Soviet agriculture is unequalled for scale, and is distinguished for its high degree of concentration of production and of fixed funds. This provides favorable conditions for mechanization and intensive up-to-date farming. All the pre-requisites exist for a substantial increase in production for the market. Agricultural science has been placed in the service of the crop farmer and livestock breeder. And centralized training of personnel ensures the application of the findings of science.

To make the best use of the opportunities, a great deal of creative effort will be needed. This was correctly stressed in an article in *Pravda* by N. Popov, the chairman of the Lenin Collective Farm in Bolshechernigovsky District, Kuibyshev Region. "The impression may be created that everything will now be easy and simple and that success will come of itself without much effort or bother," he says, commenting on the Central Committee decisions. "I must admit I find such views unpleasant to hear. Practical people should know better. Nor is there any need for idle talk. . . . Our possibilities are tremendous—but so far they remain mere possibilities. The point now is to take advantage of these possibilities, to use them to accelerate reproduction. And this, we know, requires much hard work."

To carry out the Central Committee decisions, not only the farmers but also the makers of machines, chemists, transport workers, researchers and economists must put their shoulders to the wheel. All branches of the economy have a direct or indirect part to play in advancing our agriculture.

There is no doubt that the far-reaching economic measures outlined for agriculture will inspire the people to greater effort, stimulate the initiative of all farm experts and managers, of all farmers, give them every opportunity to make full use of their abilities, promote enterprise, and ensure the maximum utilization of the vast potential of the socialist system of economy.

Better economic planning and management

Scanning the Polish journal **Nowe drogi**

THE DECISIONS OF THE Fourth Congress of the Polish United Workers' Party on improving the methods of planning, management and plan fulfilment as well as the criteria of economic performance have found wide response in a discussion that has been going on for nearly six months now in the pages of the Party's theoretical and political journal, *Nowe drogi*. The participants, both theoreticians and practical workers, have sought, through concrete examination of the facts, to find ways and means of making the system of planning and management a more effective instrument of economic policy. This is a valuable contribution to the overall program of economic advance now being worked out on the basis of the Congress decisions.

I

Special attention has been paid to optimal planning, unforeseen exigencies, reserves and continuity of plans.

The contributions underscore the need to bring the methods and instruments of planning into line with the new stage of development, with the new quantitative and qualitative tasks confronting the economy.

The point is, as Zbigniew Madej stresses in his article, "The System of Planning," *Nowe drogi*, No. 11, 1964), to coordinate the general lines of economic advance and the system of planning in advance and not post factum, under pressure of developments. For belated reaction to changes often gives rise to discrepancies and contradictions between the rate and trends of development, on the one hand, and the economic mechanism regulating it, on the other, complicating fulfilment of plans and interfering with the smooth functioning of the economy. Madej stresses that the blame for this cannot be laid at the doors of the planning bodies, for it is due not to deliberate procrastination but to "insufficient knowledge of the problems involved and underestimation of their impor-

tance for the progress and effective functioning of the economy."

A valuable contribution was made by Professor Oskar Lange in his article, "From the Balance-Sheet Method to Choice of Optimal Plans" (No. 2, 1965). Lange notes that until now socialist planning has been concerned mainly with coordinating the various components of the plan by balancing them. Clearly, a plan must be balanced to be realistic, for insufficient dovetailing of all of its elements leads to disproportions and over-strain requiring readjustment of the program in the process of its realization, and in extreme cases, to failure. But there can be many balanced and practicable variants of a plan. Today it is a matter of choosing the optimal variant.

Needless to say, socialist planners have always sought the best, realistic solutions. But the point of departure has been political and economic generalization of one's own experience and the experience of other countries in the sphere of economic policy. The choice was made from the standpoint of requirements and tasks and the possibility of their realization. Now the aim is to work out an optimal perspective ensuring the proper correlation of the various elements of the economy. The changes this involves in the method of planning are so far-reaching that, as Lange puts it, "we may well speak of a 'new quality', a new stage in the development of socialist planning."

The present level of our economy, its maturity and stability offer the possibility of choice. At the same time, an optimal system of planning embracing an increasingly complex and ramified socialist economy necessitates precise calculation and the use of mathematical methods. Thus, Lange concludes, "the growth of socialist economy makes it both necessary and possible to employ new methods of optimal computation."

This requires electronic computers, skilled personnel able to use them, and other ways and means of rapid comprehensive calculation.

All these conditions exist today. Modern mathematics has provided the theoretical groundwork, while personnel is being trained at many of our scientific centers. Computer techniques have made it possible to work out optimal programs on the scale of the entire economy. Hence the emphasis placed by the Fourth Congress on the need to introduce econometric methods and optimal planning in the sphere of economic analysis and assessment of plan indicators.

Lange points out, however, that optimal planning should be introduced gradually in view of the need to solve the corollary problems involved.

For instance, a search for the optimum in any particular instance boils down to lowering cost of production or labor time, which is an engineering and technological problem. On a broader plane this involves substitution of calculation in terms of money value for calculation in terms of kind. In other words, cutting costs becomes a matter of reducing expenditure in general and the engineering and technological problem is transmuted into an economic problem. In turn, reducing the overall costs of production to the minimum necessitates a unified price standard for measuring the itemized expenditure, including labor input; otherwise no optimal estimate could be made. A correlated system of prices is thus necessary on the scale of the economy as a whole.

Examining the criteria of maximum efficacy in planning (maximum increase of the national income or of overall consumption), Lange notes that given certain corollary conditions they produce the same result. If national income is taken as the criterion of an optimal long-term plan, the level of consumption should be taken into account as a corollary condition. If increase of consumption to the maximum in the period covered by a plan is taken as the criterion, this involves as a corollary condition a definite simultaneous increase in national wealth and a guaranteed minimum level of investments in specific years.

From this it follows that "optimal efficiency does not preclude politico-economic solutions in planning but, on the contrary, necessitates as its corollary such solutions grounded on practical common sense. As a matter of fact, the choice of an optimal criterion for the entire economy is in itself a decision of a politico-economic nature."

While underscoring the importance of a search for optimal solutions in planning and management, Lange points out that this is a gradual, long-term process which does not always promise quick practical returns.

In the article "For Optimal Planning" (No. 12, 1964), Mieczyslaw Lesz holds that our planning should pursue no other aims than maximum national income and full employment. An optimal plan, he says, should specify what technical methods offer the most expedient way to increase the rate of growth of the national income; what are the most advantageous

ways of using substitute materials and what are the economic boundaries of their use; what the structure of foreign trade should be so as to ensure a maximum increase in the distributed national income as compared with the national income created, and, finally, what is the best pattern in crop growing and cattle-raising. Lesz suggests a step-by-step approach. Proceeding from the general trends of economic development in a limited number of branches, an optimal blueprint should be worked out for each branch.

The question is also examined by Krzysztof Porwit in an article entitled "'Optimal Solutions' and Practical Planning" (No. 2, 1965) dealing with a recent book by Lange.* He declares that the only solution which is optimal both formally and in substance is that which takes into account the true interests of the entire economy and the objective criteria of rational management. He questions Lange's thesis that it is possible to replace the multiple-target method with one "weighted" target. There is no universal and objective measure of the extent to which one target can be substituted for another; what is in question is merely the initial conditions of a given program.

A good deal of attention has been devoted to the element of uncertainty in planning and the system of reserves connected with this. According to Lange, the search for optimal long-range plans involves a margin of error which tends to grow the further ahead we plan. To counteract this, he considers it necessary: 1) to set only the gross indices for the more distant years instead of detailed estimates, and to create reserves for contingencies adequate to the risk involved in taking one or another set of politico-economic decisions; 2) periodical concretization of plans in the process of their realization (review of estimates for the outstanding portion of the plan as well as gross indices and reserves for coming years). Concretizing plans is associated with their continuity. In this way the transition can be effected to a permanent long-range plan.

Other aspects of this problem have also been discussed. Porwit disagrees with the view voiced by some that uncertainty is inevitable in all planning, and considers it essential to complement planned estimates with correctives capable of preventing the element of uncertainty from leading to incorrect assessments and, consequently, to erroneous decisions.

Madej regards the creation of reserves as an indispensable element of efficient planning and stresses that experience has shown the fallacy of the over-simplified concept of the plan as something that automatically rules out all unforeseen turns and unerringly refines the trend of development.

Since the difficulties tend to mount with the lengthening of the term of planning, Madej holds that long-range plans should provide for bigger reserves than short-term plans. Inas-

*O. Lange. *Optimal Solutions*. Warsaw, 1964.

much as the margin of error cannot be precisely defined, he believes that it is impossible to foresee the size of the reserves needed in the various industries at all stages of the plan. He subdivides the reserve system into reserves allowed for in the plan (means and tasks not allocated in advance) and real reserves (material and financial). Besides central reserves (the unallocated part of the national income to be drawn on to ensure the planned growth of consumption or accumulation and not earmarked for any particular branch of the economy), he envisages the need to build up additional reserves (within the limits of the consumption and accumulation funds already allocated under the plan) for those branches and enterprises where planning is most difficult (capital construction, technological progress, agriculture and foreign trade). The use of reserves at the right time for the right purpose is, in Madej's opinion, one of the elements of rational management.

Reserves, as Professor Kazimierz Secomski points out, ("Changes in Planning," No. 3, 1965), are necessary to stabilize the rate of growth and to safeguard the economy against exigencies which might necessitate considerable changes in plans. The most important ("the reserve of reserves"), in his opinion, is the foreign exchange reserve ensuring coverage of balance of payments deficits or unfavorable foreign trade balances, facilitating advantageous purchases on the foreign market and tending generally to stabilize foreign economic relations.

The article also deals with reserves in building and in agriculture. The system of planning now adopted in agriculture (a system taking as its point of departure the average level of the preceding four years) automatically builds up reserves through the steady increase of farm output.

Secomski points to the need to increase stocks of goods in short supply, especially imported goods, while curtailing unwarranted growth of stocks of manufactures, semi-manufactures, raw materials, etc.

In view of the possible overfulfilment of not always adequately correlated plans as regards employment and productivity of labor, i.e., purchasing power and growth of production, he believes it essential to have reserves in the income-expenditure balance of the population, with coverage provided by the quantity of goods on the market. Such reserves would help to overcome possible imbalances and, when the process of reproduction develops normally, serve as an additional lever for raising the standard of living.

Discussing the necessity of bringing planning method in line with the new conditions, all the authors underscore the thesis contained in the decisions of the Fourth Congress that planning should be continuous and flexible. Madej notes that since the early part of the six-year plan and through the two subsequent five-year plans we to all intents and purposes have had no

clearly defined long-range perspective of development. There have been the annual plans, of course, but in a number of areas (for example, capital construction and technological progress) such a short-term outlook has shackled initiative. Therefore the author stresses the need for continuous planning within the limits of five-year programs with a view to eventually ensuring the continuity of these programs too within the framework of the long-range plans.*

Secomski urges the need to link short-term with long-range planning methods. This is evident from the difficulty encountered in coordinating monthly and quarterly plans with annual plans. Among other things, he draws attention to the fact that as a rule more funds are expended in the early months of the year than later, and that the production pace tends to be lower in the first quarter than in the last.

Planning for two years ahead, as was done, for instance in drawing up the plan for 1965, is a notable achievement. This is important from the standpoint of coordinating and evening up the rate of growth over the two-year period. At the same time, it links the current five-year plan with the next (1966-70). The author suggests that the method of charting the perspective two years ahead be applied in drafting future five-year plans. This would link successive five-year spans and allow for more latitude in carrying out production and construction tasks.

Secomski holds that the sub-division into five-year spans breaks the rhythm of and continuity of development. Hence it is essential better to correlate the five-year plans with long-range programs, which, in turn, should be revised after the completion of each five-year plan for the following five years.

Planning for longer periods ahead is also discussed by Marek Misiak in the article "Open Problems" (No. 1, 1965). He notes that although this is a more advanced method it does not rule out the possibility of disproportions between the potential tasks of the various links in the economy. Neither does it eliminate the main source of such disproportions—the tendency to look for the easiest tasks.

Misiak believes that participation of the lower managerial levels in central planning could counteract such tendencies. This is evident from the movement inaugurated by the workers, the Party and other organizations to tap latent production reserves and potential. Plans drawn up on the basis of suggestions advanced are then compared with drafts prepared by the planning bodies. Although local and national interests do not always fully coincide, this nevertheless makes for a realistic evaluation of existing potentialities. Suggestions submitted by the enterprises to higher bodies should become a constant source of information for the latter and a form of the workers' participation in planning.

*Long-range plans in Poland will now be drawn up for 20 years.

Misiak stresses, however, that development of this form of work depends on both organizational effort and political education, on the provision of stimuli capable of revealing reserves and making for optimal planning. In this way we can advance from planning on the basis of anticipated realization of targets to planning on the basis of realistic assessment of the existing production potential.

The participants in the discussion emphasized that while planning methods should be continuously improved they should be relatively stable. According to Madej, such reforms should be worked out before entering the next stage and brought into agreement with the plan so as to ensure that the changes in planning and management are projected into the future. Secomski, too, believes that changes in planning methods should be introduced when embarking on the long-range program, which in this sense should remain stable. This of course does not preclude changes being made in the course of the plan should the circumstances demand it. Secomski holds that there is no stereotyped pattern for all branches. It is necessary to differentiate the solutions in accordance with the specific situation in each area of the economy.

II

The prime objective in improving the system of industrial management in Poland is *enhancing the role of the industrial amalgamations*. "The main purpose of the managerial reform," the resolution of the Fourth Congress states, "is to overcome the shortcomings in the structure and functioning of the industrial amalgamations." Hence in both the *Nowe drogi* discussion and the research being done on the question the emphasis is on thoroughly charting the direction of this reform. The subject was introduced in a keynote article by Josef Pajestka, director of the Planning Commission's Institute of Economic Research ("Revision of the Principle of the Functioning of Industrial Amalgamations," No. 11, 1964).

The gist of the article is the following:

1. The principal industrial organizations, and especially the amalgamations, should be given greater independence by transferring to them part of the functions now performed by the Ministries. The Ministries, relieved of day-to-day guidance of amalgamations and enterprises, should devote attention primarily to more thorough elaboration of plans and guidance of production through the medium of economic levers.

2. A new approach should be made in cost accounting in the amalgamations. This should find expression in fuller implementation of the principle that the amalgamations should finance development in their respective spheres from their own incomes, specifically from profit and the depreciation fund. In order to discourage unwarranted investment, Pajestka supports the proposal that investments be made proportional

to the net fixed capital. This should also make for more effective use of existing fixed funds.

3. Of major importance from the standpoint of ensuring profitable operation of the amalgamations is the suggestion that returns from foreign trade be taken into account in judging their performance. This could be done by converting the foreign exchange prices of the goods produced for export into comparable sales prices and either crediting or debiting, as the case may be, the difference between the value in these prices and in factory prices to the amalgamation concerned. The same principle should be applied to imports by the amalgamations. This would give the managements a direct interest in foreign trade, encourage them to export items bringing in the biggest returns and to search for the most profitable markets.

These changes in the jurisdiction and role of the amalgamations should make for greater initiative on the part of their managements. Incentives, too, should pursue the same aim. Among the latter an important place belongs to profit stimuli, which should be extended both to the personnel of the enterprises and to the managements of amalgamations.

Some of the contributors place particular emphasis on the need for a comprehensive reform which will take in the ministries as well, since otherwise the reform at amalgamation level can hardly produce the maximum effect.

Three areas are indicated in which the functions of the ministries should be extended. This is at the same time a prerequisite of the successful realization of the reform at amalgamation level.

First, planning for several years ahead and with a view to more distant perspectives, which, as pointed out above, should be considerably improved.

Second, substantial improvement of the instruments of planning which are basic both for allocating tasks and funds under the plan and for judging the performance of the amalgamations as a whole. Enhancing the economic role of the amalgamations, far from relieving the higher managerial levels of responsibility for assessing the performance of the amalgamations, calls for a more precise and sensitive mechanism for making such assessments. The same applies to the relations between the amalgamations and their enterprises.

All this is highly important inasmuch as so far no synthetic indicators have been devised which could serve as a common denominator for judging the performance of both the enterprise as a whole and its management in particular. Unless the methods of planning and mechanism of evaluation are improved, the reform might weaken the element of planning and leave a loophole for performance to be judged by hit-and-miss methods.

Third, the ministries should play a much bigger role in the formation of both sale and factory prices. Unless there is a well-grounded and flexible price policy, the financial showing

of amalgamations and enterprises is bound to remain largely unindicative. Moreover, contradictions may appear between the interests of the enterprises and amalgamations, on the one hand, and the interests of the consumers, on the other.

A major question examined in the discussion is the different forms of industrial organization. The existing amalgamations differ widely as regards size, composition and type of production. Besides the smaller organizations employing less than 10,000 in all of their enterprises taken together, there are giant amalgamations with 100,000 or more workers. Some embrace only one branch of industry, others extend to a dozen or more branches. In the engineering industry, for instance, there are amalgamations whose enterprises turn out 15 or more types of basic output.

From the standpoint of research and technology, too, the differences are substantial. There are amalgamations which have no designing or research facilities of their own while others have one or two research institutes and their own designing offices. But these differences notwithstanding, no conscious differentiation has been made so far as regards form of organization. The question is now seen to be important enough to be tackled in the course of the reform now being worked out. A project for a number of types of amalgamations has been drawn up in general outline.

Particularly noteworthy is the proposal to introduce a corporation form of envisaging closer integration of associated enterprises. The management of a corporation of this kind would take over most of the powers and functions of the individual enterprises, especially as regards long-range and current planning of production, finances, investments, etc. The degree of centralization of functions would differ of course, depending on the industry. But on the whole it is proposed that the associated enterprises lose some of their previous features, including their independent corporate status.

The formation of concerns of this kind holds out the promise of a number of advantages, viz.:

- more complete integration of the enterprises and centralization of many of their functions would make it possible to reduce administrative personnel;

- centralization of powers and functions in the hands of the management of the concern would make it possible to staff both the administrative and the research and technological departments with adequate numbers of highly qualified specialists;

- closer integration would facilitate more effective utilization of basic and working capital at the disposal of the constituent units since serious obstacles to the flow of funds and labor force from one enterprise to another would be removed;

- the operation of the various enterprises could be coordinated more advantageously;

- the managers of the enterprises could devote

all their attention to technology and organization of production.

This form of amalgamation could be introduced:

- in industries of limited scale and with a considerable degree of concentration;

- where the type of output is comparatively uniform and simple;

- where production or technology and the rate of output growth are stable;

- where extensive and systematic coordination has been achieved between the various enterprises.

Amalgamations where these conditions exist are now performing most of the administrative functions of the enterprises. They decide questions pertaining to range of output, marketing policy and sales, production proper, utilization of plant and transport facilities, supply sources and coordination between enterprises.

This is the case mostly in the brewing, distilling and tobacco industries, in coal mining and in the building-materials industry.

In most branches the rights of the enterprises cannot be curtailed. On the contrary, the envisaged reform should provide them with the most favorable opportunities for exercising initiative. Hence the importance attached to specifying the respective shares of the enterprises and amalgamations in the depreciation fund and profit for a number of years in advance — five years in the case of the former and two years in the case of the latter.

The problem of ensuring greater efficiency in the enterprises while giving them more room to display independence and initiative is being tackled in two ways.

The first is introduction of more precise criteria of the performance of the enterprise which would also be the determinants of the wage fund. The resolution of the Fourth Congress states that "gross production indices should no longer be used for determining the size of the labor force and the wage fund, for measuring the productivity of labor or assessing the progress made by an enterprise."

Instead indicators approximating to the net output should be used. And since it would be difficult to find a net indicator applicable to all branches of industry, a number of indices have been worked out. Chief of these are:

- labor expenditure index showing direct input in the product or production phase by workers on either piece or time wages;

- total labor expenditure index taking in, besides work directly in production, also indirect operations in both basic and auxiliary shops;

- cost of processing — the volume of production measured in standard units of direct labor input multiplied by the "processing cost" per input unit for the given branch of industry (cost of labor power, auxiliary materials and depreciation).

It has been established, Stanislaw Rog says ("The Discussion on Production Industries," No. 3, 1965), that "there is no absolutely perfect indicator. It is also clear . . . that it is

impossible to find a single production indicator applicable to the whole of industry and correctly reflecting the contribution of each enterprise . . . Production indices should therefore be correlated to the respective branches of industry, with an eye to the principal objectives of the moment."

Needless to say, the new indices cannot be introduced overnight. Hence experiments have been conducted since 1963, and this year it is proposed to introduce the net indicators at enterprises accounting for nearly 35 per cent of our entire industrial output in terms of value.

The processing-cost indicator is used in the clothing industry, and is to be introduced in the tanning and footwear, furniture and paper industries. The labor input index is used in the shipbuilding and metallurgical industries and in some engineering works. It should be introduced also in building ceramics, cement and other works.

The experience of the branches where the net production indices have been tried out will facilitate their extension to all of industry. These indices will make it possible to gear the wage fund more flexibly to production tasks.

The second way to improve cooperation between the amalgamations and enterprises is correct use of economic stimuli. The new bonus system for engineers and technologists intro-

duced as of July 1, 1964, is an important step forward in this respect. It meets the long-felt need to coordinate the bonus system as applied to the various levels of management (amalgamation, enterprise or factory department) and the incentives to fulfil concrete tasks (economy of material, production for export, technological progress) provided by the higher bodies and managements of enterprises. The new system gives managers a flexible means of stimulating plan fulfilment. At the same time it presupposes a deeper knowledge of the state of affairs in the enterprises and greater alertness to the relative urgency of one or another task, in a word, more managerial skill on the part of those in charge of the amalgamations and enterprises.

* * *

The problems discussed above testify to the fruitfulness of the discussion, which also dealt with problems of organizational and technological reconstruction, coordination of production and economy of materials. Simultaneously with this exchange of views, Party and government committees are at work drafting the legislation necessary for giving full effect to the improved system of economic planning and management.

Bohdan GLINSKI
Janina MACIEJEWICZ

The workers' economic struggle

In fighting for its immediate interests the working class in the capitalist countries is faced with problems arising from the state-monopoly intervention in the economy generally and in the sphere of labor relations in particular, e.g., incomes policy, rising prices and inflation. All impinge on the economic and political struggles, the specific features of which vary from country to country.

Aspects of these problems are discussed in the articles printed below.

INCOMES POLICY OF THE LABOR GOVERNMENT

J. R. CAMPBELL

AT THE VERY CENTER of the economic policy of the British Labor government is its much discussed "incomes policy." The Labor ministers, advised by groups of bourgeois economists, are asserting that it is possible for the government, in association with the organization of the monopolists and the trade unions, to devise a policy of controlling wages and salaries, prices and profits, which will improve the position of the British monopoly capitalist economy in relation to its foreign competitors, and in so doing will put an end to the steady rise in prices which has been a feature of economic life in Britain since the end of the Second World War.

This is not a new departure.

The first effort in this direction after the Second World War was made by the Labor Chancellor of the Exchequer, Sir Stafford Cripps, who sought to induce the trade unions voluntarily to agree to a wage freeze. He argued that there was no justification for any general increase in wages but that unions whose wages had increased less than others could demand exceptional treatment. Most

unions decided that they had a justification for demanding an increase in wages and presented their claims to the employers as usual. Cripps also insisted that capitalist companies limit the dividends which they paid to shareholders. The Government also continued to keep a tight control of food prices and rents. Although this policy was not completely successful from the Labor government's point of view, it did moderate wage and price increases from the spring of 1948 to the end of 1949. However in the middle of 1949, under American pressure, the pound was devalued and prices in Britain began to rise. The trade unions promptly began to press for increased wages and the Trade Union Congress in the autumn of 1950, despite the advice of the Right-wing leaders, repudiated the policy of the wage freeze. Then followed a period of rapidly rising wages and prices, which was accentuated by the inflation which followed the outbreak of the Korean war.

When the Conservatives came to power in 1951, they did not, as was widely expected in the Labor movement, impose a new wage freeze but allowed wages and prices to rise.

The economic position in Britain improved in 1952 because there was a worldwide fall in the price of food and raw materials, which benefited the British economy. The Conservatives also cut the unrealistically high rearmament expenditure inaugurated by the Labor government in 1950, and this relieved the strain on the economy. Of course the expenditure remained much higher than it had been before the Korean war, but it was lower than was contemplated by the Labor government. So prices and wages were allowed to rise between 1951 and 1955 without any direct interference by the Government. From time to time the Government operated deflationary measures on the economy, which slowed down expansion, created some additional unemployment and to a slight extent made increase of wages more difficult to obtain, but they did not openly and publicly interfere with trade union bargaining for increased wages or salaries, although secretly they were encouraging the more powerful employers' organizations to resist wage increases.

The disadvantage of the deflationary measures, higher bank rate, credit restrictions, and reduction of state expenditure was that they slowed down the expansion of the British economy, which in any case was proceeding much more slowly than that of other capitalist countries.

It began to be realized that the continual use of deflationary measures by the British government not only slowed down the increases of wages and salaries in Britain but also slowed down the development of the entire economy. So the question began to be raised amongst bourgeois economists whether the Government ought not to intervene directly in the economy in order to restrict wages and salary increases. In 1959 the Organization for European Economic Cooperation (since renamed the Organization for Economic Cooperation and Development) appointed a committee of distinguished bourgeois economists from USA, Britain, Sweden, Switzerland and Holland to consider this question and, in 1961, their report was published under the title of "The Problem of Rising Prices." This report recommended that the Government should state quite clearly what permissible increases in wages and salaries should be allowed in any given year. (This is called in Britain the "guiding light," and in the United States the "guide posts"). It also stated that the Government should restrict wage and salary increases amongst employees in the State departments and nationalized industries. The Conservative Finance Minister (Chancellor of the Exchequer) Mr. Selwyn Lloyd was clearly influenced by this document when he decreed a "Wage Pause" in July 1961. This meant that there were to be no wage or salary increases for State or Local government employees for a period of six months. There had been widespread increases of wages for industrial workers in 1960 and early 1961, and State employees were expecting to get considerable

increases in wages and salaries in the autumn.

Selwyn Lloyd's action created very great indignation amongst those sections, and Conservatives lost their seats in certain by-elections. At the end of six months, the pay pause was ended but Selwyn Lloyd indicated that nothing higher than a wages or salaries increase of 2½ percent annum was permissible. The unions were hostile to this so-called "guiding light" and refused to participate in a National Incomes Commission, which was formed to review the carrying out of this policy.

About this time a group of employers had been studying the French system of economic planning, which they claimed had enabled France to achieve a much greater rate of economic development than Britain. Selwyn Lloyd agreed with them that a National Economic Development Council should be set up, comprising representatives of the employers, the trade unions, the Government and groups of "independent" economists to discuss how Britain could achieve a higher rate of economic development in the future. The NEDC, after consulting the large firms, came to the conclusion that with Government assistance the British economy could be made to expand at a rate of four per cent per annum and this would permit an increase of wages and salaries of 3½ per cent per annum. The General Council of the Trades Union Congress, which was participating in the National Economic Development Council, accepted this recommendation provided increases in profits and prices were also regulated. To the workers they explained that Selwyn Lloyd's attempt to impose a 2½ per cent limit to increases of wages and salaries was a "wage pause" which had to be rejected, the NEDC recommendation of an increase of 3½ was something quite different, namely, a planned growth of wages. Many trade unionists regarded this as sophistry.

When the National Economic Development Council went over to discuss the control of prices and profits, no agreement could be reached. While the employers and the representatives of the Conservative government were in favor of controlling wage increases, they were unable to present any clear policy, indicating how prices and profits could be controlled. The negotiations therefore broke down and unions went ahead, winning wage increases higher than those allowed under the "guiding light."

When the Labor Government came to office in October 1964, in the midst of the severest economic crisis since the end of the Second World War, it declared that an "incomes policy" was absolutely necessary. It set up a new Department of Economic Affairs in charge of George Brown, who next to the Prime Minister, Harold Wilson, was the most important Minister in the government. Mr. Brown got the representatives of the employers and the unions together and got them to sign a "statement of intent," i.e., a general statement in

which the Government, the employers' organizations and the trade union leaders promise to agree that increases in wages, salaries or profits shall not increase faster than the growth of the productivity of the capitalist economy as a whole. The statement also pledged Government, employers' organizations, and trade unions to cooperate to achieve stable prices, something which has not been achieved in Britain for the last thirty years.

Mr. Brown then moved on to set up the state organization in which Government, employers' organizations and trade unions will cooperate in the administration of an incomes policy. The organization is named the National Board for Incomes and Prices, which is composed of two divisions, namely an Incomes Review Division and a Prices Review Division. The chairman of this body has not yet been chosen but amongst the personalities being considered there are a number of people who are members of the Liberal or Conservative parties.

It has always been the complaint of trade union activists that all forms of incomes policy hitherto suggested favor a very strict, rigid control of increases of wages and salaries, but a very weak control of profits and prices. This is illustrated in the way that the two divisions of the National Board will work. The Incomes Review Division will have power to comment on any claim for increased wages and salaries, before or during the period when a wage claim is being presented to the employers. It will have power to examine the effect of a given wage or salaries claim on the capitalist economy and even to suggest that this claim is against the "national interest." This body will therefore be able to exert itself powerfully against the claims of any strong group of unions. Naturally this Incomes Commission will take as its guide, in estimating any wage claim, whatever limitation on wage and salary increases is being suggested by the Government at the moment.

When a capitalist firm is proposing an increase in prices it does not have to submit this suggested increase in prices to the Prices Review Division. On the contrary, it can go ahead and increase its prices. Only after the increased prices are being charged can the capitalist enterprises be called upon to produce their justification for increasing prices. The gross inequity of the proceedings of the National Board is apparent to all. The Board will be empowered to take action to prevent wages or salaries from rising, or at least to take action which will ensure that only the most meagre increases are granted. On the other hand, it will take no action to stop prices from being raised. It need not be told by the employers of any suggested increase in prices, so that it cannot examine beforehand whether the price increase will be in the "national interest" or not. It is only after the price has been raised that the Prices Review

Commission of the National Board will be allowed to discuss whether it is justified.

Profits will be reviewed by the Incomes Review Commission, but only after they have been realized by the capitalists, and either distributed to shareholders or retained in the firms with a view to their further expansion. The Incomes Review Division has no power to restrict profit increases in any particular firms. It is only after the rise in the profits of all capitalist firms (large or small) are added together and the entire volume of profits can be shown to have increased faster than the entire volume of wages and salaries, that anything can be done.

Thus when this machinery comes into full operation, late in 1965, wage or salary rises can be limited at once, but the extra profits wrung from the workers in 1965 will not be taken into consideration until 1966 or 1967. Only then, if they are judged to be excessive, will they be "corrected" by a little extra taxation being imposed on all profits.

It goes without saying that industries where the annual increase in productivity is above the average — such as steel, chemicals, oil refining, motors, aircraft, electronics, electricity production, will achieve higher than usual increases in profits if the wages of their workers are held down by the incomes policy. Even if it is finally decided to increase taxation, a great deal of the extra profit will remain in the hands of the large enterprises and much of it will be retained in order to expand the business. Thus not only will income be redistributed to the advantage of the capitalists, but the distribution of capital accumulations (property in all its forms) will grow more unequal still. At present, the distribution of personal fortunes in Britain is extremely unequal. It is estimated that in 1960 one per cent of the adult population owned 42 per cent of the personal wealth (land, houses, shares in industrial firms, government bonds, bank accounts, etc.), five per cent of the adult population owned 75 per cent of the accumulated wealth and 10 per cent owned 99 per cent.

When the National Economic Development Council discussed this question in 1962, under the Conservative government, it was agreed that an incomes policy would tend to increase the unequal division of personal wealth (capital accumulations). A tax on accumulated capital of around one per cent per year would, it was believed, halt excessive capital accumulations and reduce the great personal fortunes of the capitalist class. The present Finance Minister (Chancellor of the Exchequer) of the Labor government, Mr. James Callaghan, advocated this policy in 1963. It did not, however, figure in the Labor Party's General Election program and since the Labor government was returned, Mr. Callaghan has admitted that the Government does not intend to introduce such a tax. So it is certain that the application of an incomes policy would mean a more unequal

division of personal incomes and personal wealth than is the case today.

The "statement of intent" signed by the Government, the Employers and the Trade Union leaders says that one of the aims of the Government is to secure social justice, and some supporters of incomes policy believe that this means that lower paid workers may get larger increases of wages than higher paid workers. This is unlikely. The Government, Employers and Union leaders are at present negotiating a "guiding light" for increases of wages and salaries. This is expected to be between 3 and 3½ per cent per annum. This guiding light will express the *maximum* permissible increase. It means that except in very exceptional circumstances no group of workers will get a greater increase than 3½ per cent. It does not mean that all workers will get this increase. Some employers in negotiations may only be prepared to concede 2½ per cent, some nothing at all.

Despite the mention of social justice it seems likely that little or no special attention will be paid to the low paid workers when an incomes policy is introduced. What is most likely is that employers negotiating wage increases will regard the "guiding light" of 3 or 3½ per cent as the maximum increase which should be awarded to any body of workers, and the Incomes Review Division will back them in this interpretation. Now and then, however, a body of exceptionally low paid workers will get more than the guiding light, but these will not be sufficiently numerous to upset the general arrangement. There is nothing in the so-called "statement of intent" which indicates that the incomes policy aims to close the gap between the wages of the lower-paid and the higher-paid workers.

The Communist Party and the left workers in the trade unions are strongly opposed to this incomes policy. They declare that this policy not only helps the employers at the expense of the workers but destroys collective bargaining and the autonomy of the trade unions in relation to the capitalist state. It is a policy which undermines the unions as democratic mass organizations of the workers. Under an incomes policy the unions will be called upon to perform different functions than they do today. They will be called upon in the main to act as disciplinary agencies, compelling the workers to adhere to an incomes policy agreed to in negotiations with the employers and the government.

Some of the supporters of an incomes policy agree that it favors the employers in comparison with the workers, but insist that it will, at any rate, get the British capitalist economy out of its present difficulties.

This the opponents of an incomes policy dispute. They say that Britain's recurring economic difficulties are due to its imperialist structure, inherited from the past. Every year Britain spends £350 million to maintain troops and bases abroad—£100 million in West Ger-

many and £250 million "East of Suez"—the latter protecting its investments in the territories of its former colonial empire. Outside the United States, no other capitalist country is carrying a comparable burden.

Then Britain is exporting capital, mainly to its White Dominions—Canada, Australia, New Zealand—and also to South Africa, which still has a special relationship with Britain, to the extent of £300-£350 million a year. The real strength of the British economy does not justify the export of capital on this lavish scale. It is like a business which is nearing bankruptcy but is yet continuing to lend on a most lavish scale. This has two effects. It means that because of this lavish export of capital, the British capitalist economy has not been able to build up its gold and currency reserves, so that a slight fluctuation of production or trade, arising inside or outside Britain, always results in some kind of crisis. The export of capital has the further effect that it deprives Britain of capital which might have been used for the technical development of the more backward sections of its economy. All investigations of Britain's economic position indicate that it is investing a smaller percentage of its resources in new plant and equipment than is the case with its European rivals and that it is not utilizing its equipment as well.

The Communists and the left trade union militants generally declare that it is a barefaced fraud to leave out of consideration the two great adverse factors in the British capitalist economy—the gigantic military expenditure on troops and bases overseas, and the excessive export of capital—and blame all Britain's economic difficulties on the allegedly high wages of the workers, especially when in recent years British wages have been rising much more slowly than those of European workers.

In direct trade union negotiations with the employers the Right-wing trade union bureaucracy have made a number of agreements which go in the same direction as the government's wage policy. Thus the Confederation of Shipbuilding and Engineering Unions has made a three years' package deal, embracing increases in wages, extra holidays and a slight reduction of the working week, which is the equivalent of a 4½ per cent per annum increase in wages but which makes no allowance for any increase of wages in the three years' period on account of the rise in prices, unless these prices have risen to a really abnormal extent. There is a very great opposition to this agreement within the Confederation and this may be reflected in even greater resistance to the incomes policy. Clearly a three-years' wage contract which gives the equivalent of an annual wage increase of 4½ per cent (and makes no allowance for normal increases in prices) is moving nearer to a 3½ per cent "guiding light."

One of the workers' objections to an incomes policy is that it tends to reduce or even to abolish incentives for extra work. In the past a British worker's wage increase has consisted

of two parts, namely an increase in hourly wage rates, negotiated at national level, and an increase in incentive payments negotiated in the factory. Many workers thought at first that the suggested 3½ per cent "guiding light" referred only to wage increases negotiated at the national level and not to the incentive payments negotiated at the factory level. So they argued that it did not greatly matter if wage increases at the national level were restricted; they could proceed to squeeze more out of the employers at the factory level.

It is now becoming apparent that the permitted increase of 3½ per cent (the "guiding light") applies to all earnings and not merely to nationally negotiated wage rates. It would therefore only permit an increase of wage rates of about 2 per cent per annum, and an increase of incentive earnings of about 1½ per cent.

The mood of the workers is changing. They have hitherto waited patiently to see the outcome of the negotiations on incomes policy. Now they are becoming apprehensive.

Probably a majority of trade union leaders (outside the General Council of the Trades Union Congress, which is negotiating with the Government and the employers on an incomes policy) are becoming apprehensive also. They fear the reaction of the workers if the increase in the workers' wages is restricted, while the profits of the monopolists soar.

The Communists and the Left in some trade unions are demanding that the Government,

while abandoning the attempt to restrict increases in wages and salaries, should promote a positive wage policy in certain directions. It should declare its intention of promoting equal pay for women, and should encourage the opening of negotiations on this question. It should also be forced to give greater protection to lower paid workers, and should encourage the spread of trade union organization amongst them. Firms and industries paying low wages should be publicly investigated.

The Communists and the Lefts are pressing the Government to attack monopolist price raising. The large monopolistic firms in the various industries, which generally take the lead in raising prices, should be prohibited from doing so until there is the fullest investigation. Such attacks on monopoly on a limited front could lead to their large-scale exposure and put the question of the nationalization of some monopolies on the order of the day.

Some Right-Wing Labor bureaucrats are boasting that already Britain has advanced further than any other West European country towards the creation of a comprehensive incomes policy. Such boasting is premature. The British workers have always resisted the regulation of their trade union activities by the capitalist state. When the full details of the incomes policy become known they are likely to regard that as yet another attempt to restrict their freedom of action. So Britain could be the country where the so-called incomes policy is completely exposed and decisively rejected.

INFLATION AND THE CONDITIONS OF THE PEOPLE IN FINLAND

GUNNAR ASPLUND

RISING PRICES ARE a permanent feature of life in Finland. Unregulated prices rise little by little and almost imperceptibly, while the regulated prices, those fixed by the government or its ministries, especially farm prices, post and telegraph charges, and rail and bus fares are pushed up suddenly and sharply. The following table shows the price rise over the past ten years.

ANNUAL INCREASE IN PRICES IN PERCENTAGES

(The top line shows the changes in the cost-of-living index, while the lower line shows the changes in the index of wholesale prices on the domestic market)

1955	1956	1957	1958	1959	1960	1961	1962	1963	1964
2	17	8	4	2	3	1	6	5	10
1	9	14	1	3	3	0	2	8	9

As the table demonstrates, the rise was particularly sharp in 1956-57 and 1963-64.

The question what constitutes inflation and is a general rise in the level of prices always a sign of it, is one that can be argued. According to Marxist theory, inflation denotes the condition at a given moment when the amount of paper money in circulation is greater than the amount required by the needs of trade turnover or permitted by the gold reserve of the given country.

According to the law of money circulation, the general level of prices at this moment is higher (i.e., it rises excessively or does not decline sufficiently as it would do when the currency has an adequate gold backing). Bearing in mind that the gold reserve too can rise or fall, it is theoretically admissible that a general growth of prices does not necessarily signify inflation, and that a certain degree of inflation is possible even when prices are not rising.

The point is, however, that when the currency was based on gold, the tendency was for the general level of prices gradually to decline. This, evidently, was due to the fact that by virtue of the specific methods of gold extraction its output rose more slowly than output generally. We have, then, good reasons for saying that in essence a general rise in the level of prices is a manifestation of inflation.

Inflation, as we know, is always accompanied by negative features—fall in real wages, in the value of pensions, family allowances and other social benefits; it wipes out the advantages of any reduction in taxes; it hits the holders of small savings, since the real value of the savings and the scale of the insurance premium are reduced. On the other hand, it enriches a handful of capitalists, especially monopolists, who are the first to raise prices. The capitalists also gain because the real value of the credits obtained by them before the inflation is depreciated by it.

One of the graver consequences of inflation is the steady decline in real wages, pensions and other social benefits. In this situation *the working class is forced to fight unceasingly for wage increases to compensate for the rise in the cost of living and the decline in real wages.* In Finland the workers are forced to expend so much energy on this struggle that they have little opportunity for fighting for an increase in real wages, for a rise in the standard of living commensurate, let say, with the growth of labor productivity.

After the Second World War the militancy of the Finnish workers was such that despite the inflation they won considerable wage increases, so much so that real earnings reached a higher level compared with prewar. Subsequently, however, they had to expend energy in maintaining that level and the struggle was waged with varying success.

It can be said that a certain fatigue in the struggle resulted in 1951 in an agreement envisaging that a five per cent rise in the cost-of-living index would imply a similar increase in

wages. While it maintained the existing standard of living, the agreement signified renunciation by the working class of their demand that wages should keep abreast with growth of productivity. The agreement remained in force till the end of 1955. This period saw practically no inflation, and the employers had no occasion to raise wages. At the same time output per man hour rose 22 per cent thanks to the growth of productivity and intensification of labor.

In the autumn of 1955 the capitalists considered their positions so strong that they decided to raise prices and simultaneously abandoned the system of regulating wages on the basis of the cost-of-living index. The workers willingly agreed to this, since the system did not compensate for growth of productivity. It was replaced by a new system of agreements concluded for a term of one or two years, and the fight for higher wages gained momentum. The general strike of March 1956 resulted in the workers obtaining full compensation for the rise in prices since the autumn of 1955. But with the bourgeoisie pursuing an inflationary policy, the struggle gradually became less militant.

Until the end of 1963 the wage level was not pegged to the cost-of-living index. Between 1955 and 1963 the index rose by 58 per cent, while the nominal wage increase provided for in the agreements was 43 per cent (according to estimates of the Central Union of Employers). As a result, real wages declined by 10 per cent and later they rose somewhat.

Consequently, one can say that from the standpoint of the interests of the working class the experience of this period proved to be more lamentable than that of the preceding years. It showed that the chronic inflation prevents the standard of living and real wages from rising. All the energies of the working people were expended in the struggle to secure compensation for the rising cost of living. However, in some years they were not able to achieve even this.

Our experience shows that it is necessary that the wages provided by collective bargaining should be so related to the actual cost-of-living index that they keep up with the slightest rise in the index. On the other hand, the agreements should provide for the possibility of wage increases for other reasons as well, particularly in connection with growth of productivity. This would enable the working class *to fight for higher real wages.* Clearly, any attempt to establish a link of this kind between the index and wages will encounter resistance on the part of the employers.

Since inflation has such grave consequences for the working people, it is important to know what causes it. The search for the causes inevitably leads to the central bank invested with the powers of emission, for it alone can define the actual amount of money in circulation. Of decisive significance in determining the level of prices is the ratio between the amount of money in circulation, the trade turnover and

the rate of money circulation. Should prices begin to rise, the inflation can be checked and even the previous price level can be restored. What is necessary for this is to reduce the amount of money in circulation. We can say, however, that the financial policy of the central bank, aimed at increasing the emission of money, always has the effect of raising the prices level.

The following measures add to the amount of money in circulation and lead to inflation unless the necessary countermeasures are taken or unless the printing of more money is accompanied by an increase in the amount of goods on the market:

1. *Loans to the state.* As a result of military spending the debt owed by the government to the Bank of Finland increased from eight million marks to 188 million between 1939 and 1945. In that period prices rose fivefold.

2. *Loans to enterprises.* Between 1945 and 1950 the debt of industrial enterprises to the Bank of Finland increased from 22 million marks to 189 million. The loans policy was decisive in increasing inflation at that time since production did not keep pace.

3. *Loans to credit institutions.* While the Bank of Finland has all but stopped providing credits to industrial enterprises, they are still in a position to benefit by the inflation, especially through the medium of the commercial banks which can rediscount the bills of the capitalists and thus supply their customers with new funds. The granting of loans to credit institutions played the decisive role in swelling the inflation in 1950, 1955-56 and 1959-62.

4. *Foreign economic relations.* This includes two main factors—devaluation and increased gold and currency reserves of the central bank. Devaluation is directly related to inflation. After devaluation, when foreign currency is quoted at a much higher rate than the domestic currency, more money can be put into circulation. Devaluation leads to higher import prices which, apart from anything else, makes it possible rapidly to increase the foreign currency reserves because exporting becomes much more profitable, while the higher prices impede imports.

Foreign currency and gold reserves can grow for other reasons as well. For example, inflation in other countries can cause a sharp rise in the price of goods exported to these countries, thus considerably increasing the inflow of foreign currency, and, as a result of its exchange in the country, still more money will be put in circulation. The outcome is a kind of export of inflation from one country to another. On the other hand, it should be pointed out that a definite increase in gold and currency reserves is the most natural means by which to increase the amount in circulation in view of the growing trade turnover resulting from industrial expansion.

During the 1951 boom at the time of the Korean war the foreign currency reserves of the Bank of Finland rose considerably. This

and other factors were responsible for the fact that the amount of paper money in circulation grew by 300 million marks. In 1951 the index of wholesale prices increased by 34 per cent and the amount of paper money in circulation by 30 per cent. Devaluation in 1957 had similar results raising the amount of money in circulation by 331 million marks, thus intensifying the inflation started by the devaluation.

The immediate causes of inflation, then, are rooted in the factors associated with the operations of the central bank. The latter could help to prevent inflation by abstaining from measures which foster it, and by taking countermeasures against factors conducive to it.

An important factor necessitating countermeasures is the price policy of the monopolies. It should be said, however, that such measures could be detrimental to capitalist production. Under modern monopoly capitalism production can hardly go ahead without a simultaneous rise in the price level and inflation. Monopoly price policy is an exceptionally important factor breeding chronic inflation.

Monopoly price formation furthers inflation because it presupposes curtailment of production. According to the law of money circulation, the price level can be raised without increasing the amount of money in circulation provided there are fewer goods on the market. And this is what is happening as a result of the activity of the monopolies.

The price level raised by the monopolies will not be lowered without the central bank taking countermeasures which adversely affect economic activity. Hence it is clear why the bank, guarding the interests of the monopolies, does not as a rule interfere in this matter and the price level is rising.

The state, too, pursues a policy conducive to inflation by raising its own "monopoly prices" (postal charges, price of wines, spirits, etc.) to cover the budgetary deficit.

The reactionary nature of the monopolies and their negative influence on the life of society are strikingly manifested in that economic factors which promote the growth and expansion of the economy also cause price increases.

It is universally recognized and can be proved mathematically that in the interests of adding to their profits the monopolies find it advantageous to develop production only partially in conditions of growing demand, to have some requirements unsatisfied, for then prices go up.

Any wage increase is accompanied by a growing demand for consumer goods. And unless sufficient commodity reserves and free productive forces are available, a temporary increase in the prices of consumer goods takes place. The monopolies in the consumer-goods industries are always raising prices and the level of demand. They are responsible for the fact that the increased purchasing power resulting from wage increases, which should promote expansion of production, leads, in effect, to a higher price level.

That is why the "political economy" of the monopolies is trying hard to misrepresent the facts and prove that higher wages lead to inflation.

The struggle against inflation is then, closely and directly linked with the anti-monopoly struggle. Unless the monopolies are nationalized or brought under strict government control, there is no hope whatever of getting rid of the chronic inflation. As long as the monopolies exist, the trade unions, proceeding from this

fact and from the monopoly price policy, should insist on nominal wages roughly twice as high as the sum they ask for as an increase in real wages. Moreover, it is necessary simultaneously to demand strict control over monopoly prices so as to prevent the monopolies from raising them whenever consumer demand is boosted by wage increases. By fusing the struggle for higher wages with the struggle against the monopolies we shall help to expose their reactionary nature in the eyes of the masses and lay the foundation for their nationalization.

Political changes in the capitalist countries

WHAT RECENT ELECTIONS HAVE SHOWN

The verification of subjective wishes, sentiments and views by the results of voting by the **mass** of the population belonging to different classes is invariably useful in politics in any serious sense of the world. The struggle of parties in the electoral arena and the summing up of the results always provides material for **verifying** our understanding of the correlation of social forces in the country and the significance of one or another "slogan."

V. I. Lenin

WESTERN EUROPE

RECENT ELECTIONS IN the biggest capitalist countries — Britain, Italy, France and West Germany — and the elections in Sweden, Denmark, Norway, Finland, Belgium and Austria showed that changes are taking place in the correlation of the political forces and in the minds of the voters of the capitalist world. Needless to say, the defects of the electoral systems in the capitalist countries distort, in one degree or another, the true state of political opinion.

In *Great Britain* the general election resulted in the defeat of the Tories who had been in power for 13 years and their replacement by a Labor government with a tiny majority in Parliament. Labor gained a slight increase in the percentage of votes (44.1 per cent against 43.8 per cent in 1959). The Tory vote was 1,747,000 less than in 1959, and their percentage declined to 43.4. The Liberals nearly doubled their vote (from 5.9 to 11.2 per cent).

In *Italy* the provincial and communal elec-

tions brought fresh success to the Communists who polled 26 per cent of the votes, more than in the 1960 elections and in the general election of 1963. The Nenni Socialists lost 3.1 per cent of the votes compared with 1960. The break-away Socialist Party of Proletarian Unity won 2.9 per cent of the votes. The positions of all the bourgeois parties weakened, except for the Liberal Party whose following rose to 7.9 per cent (4 per cent in 1960).

In *France* the municipal elections were a marked success for the Communists. The movement for democratic unity has gained in strength while the positions of the Gaullists and their supporters have weakened (for details on the French elections see the article by Pierre Hentges in this issue).

In the *Federal Republic of Germany* the Social Democrats increased their vote in the Landtag elections in five Laender held last autumn. For the first time they won over half of all votes in one Land (50.9 per cent in Hessen). Their vote was 46.6 per cent in North Rhine-Westphalia and 43.2 per cent in Lower Saxony. The Christian Democratic Union suffered a heavy loss of votes, while its partner in the government coalition—the Free Democratic Party — lost over a million votes. The Communist Party of Germany, officially banned, was unable to take part in the elections.

In *Sweden* the ruling Social Democratic Party failed to increase its votes and lost one seat in the Lower Chamber of the Riksdag in the general elections. The Communists polled 30,000 votes more than in the previous election and won another three seats, bringing their total to eight. None of the bourgeois parties increased its vote either in absolute figures or in percentages.

In *Finland* the Social Democrat vote rose from 24.5 to 27.7 per cent, while the share of the Democratic People's League rose from 21.9 to 22 per cent. The main bourgeois parties, with the exception of the Agrarian Union, lost thousands of votes. The extreme Right Coalition Party (Conservatives) polled 300,000 votes (of them 50,000 on joint lists with other parties) compared with 347,000 in the 1962 election. The Swedish People's Party lost roughly a third of its votes.

In *Belgium* the Christian Social Party, one of the ruling parties, sustained considerable losses in the communal elections. The positions of another ruling party, the Socialist, likewise weakened. Substantial gains were registered by the Communists who nearly doubled their vote compared with the previous election. The so-called Party of Freedom and Progress, an opposition party, appreciably increased its following.

In *Austria*, where only half the electorate went to the polls in the Laender elections, there were practically no changes. Slight headway was made by the Socialists whose gains (compared with the previous election in 1959) were 0.3 per cent in Vienna, 1.1 per cent in Lower Austria, and 3.2 per cent in Salzburg. In Vienna

the People's Party, forming a government coalition with the Socialists, won 1.6 per cent more votes than in 1959. The Communist vote in Vienna was 5 per cent (against 5.2 per cent in 1959).

In *Denmark*, too, no appreciable changes took place in the general election. The biggest gain (3.1 per cent) was that of the Conservatives. The Communists also increased their vote. On the whole the Communist Party, the People's Socialist Party and the Social Democratic Party polled 48.9 per cent of the votes against 49.3 per cent in 1960.

In *Norway* the elections were held in 39 of 400 communes owing to the change in the administrative setup. The ruling Labor Party suffered a setback, polling 31.6 per cent of the votes compared with 35.3 per cent in the new communes in the 1963 elections. All the other parties improved their positions, especially the Center Party, the Christian People's Party and the Venstre Liberal Party.

Despite the differences in the political, economic and social development of the particular countries and the specific features of the class struggle in each of them, a number of common factors are suggested by an analysis of the election returns.

The gains made by the parties representing the working class in countries such as Italy and France, where the Communist parties play the leading role in the working-class movement, showed the growth of Communist influence among the masses.

"The results of the elections to the provincial and municipal councils were a big success for our Party, for the working class and for all who stand for the political and social regeneration of Italy," said L. Longo, General Secretary of the Italian Communist Party. "Our Party has made a big advance compared with the 1960 local elections and the 1963 general election, which, bearing in mind that our gain was one of a million votes, is an important step in the development and realization of the unity policy of democratic regeneration and socioeconomic progress pursued by our Party."

Considerable success, compared with previous elections, was recorded by the Communists in Belgium and Sweden.

"The victory of the Communist ticket is, from the standpoint of the common interests of the working-class movement, the most important and positive element of the elections," said the resolution of the Central Committee of the Communist Party of Belgium. Summing up the election returns, K. H. Hermansson, Chairman of the Communist Party of Sweden, pointed out that "the 1964 election to the Second Chamber marked a second breakthrough for the Communist Party in the past 25 years. But as distinct from the first one which occurred at the time of the Second World War, the present breakthrough was made in conditions which generally speaking are not regarded as favorable for the activity of the Communist Party."

Among the Social Democratic parties only those in opposition made electoral gains, with the exception of the Austrian Socialists who slightly increased their vote. In Sweden, Denmark, Norway, Italy and Belgium, where the Social Democrats head the government or rule in coalition with bourgeois parties, their voting strength declined either relatively or absolutely. In most cases the failure of the Social Democrats was not due to any advance made by the main parties of the bourgeoisie. Basically it was the result of a regrouping of forces in the working-class camp.

The elections indicated a growing movement for unity of the democratic forces, and primarily of the parties of the working class, in the struggle against the policies of the monopolies and for the interests of the working people. Wherever representatives of the workers' parties cooperated, particularly telling blows were struck at the bourgeoisie.

The defeat suffered by the leading parties of the monopoly bourgeoisie was obvious. Among those whose positions weakened were the Conservatives in Britain, the Gaullists in France, the Coalition Party in Finland, the Christian Social Party in Belgium, the Right-wing party in Sweden, and the Christian-Democrats in Italy and West Germany. In all countries, Denmark and Italy excluded, a shift in favor of the so-called Center parties was strikingly manifest among those who vote for the bourgeois parties.

Although these changes are not great in scale in individual countries, the general Left trend is indisputable. Both Social Democratic and many bourgeois observers admit that "a Left wind blew in the elections."

Activization of the anti-war and other democratic movements in Italy, Belgium and in other countries had, beyond doubt, a direct bearing on the election returns. The issue of peaceful coexistence occupied a prominent place in the British general elections and, undoubtedly, Labor's support of this slogan contributed not a little to their success. The alarm caused by Goldwater extremism in the United States and by extremist trends in some other capitalist countries alerted the democratic forces and made their struggle for peace against the reactionary policy of the monopolies still more urgent.

The outcome of the elections was influenced in large measure by the struggle on internal issues, primarily the problems of living standards, extension of democracy, curbing the power of the monopolies and a bigger say for the working people in all spheres of public life.

The success of the Communists in Sweden and Belgium is yet another refutation of the capitalist propaganda to the effect that the Communist parties can build up their influence only at times of economic crises and unemployment. Today even the capitalist press admits that the Communists continue their steady advance in countries where living standards have, as the Paris newspaper *Le Monde* com-

mented, appreciably risen compared with what they were 15 years ago.

On the other hand, the decline in the rates of economic growth (at times strongly pronounced) in Italy, Britain and Belgium in 1964 could not but adversely affect the positions of the ruling parties responsible for economic policy.

Of vital significance for the election results in Finland was the widespread discontent over the steadily rising prices and taxes. The Coalition Party, which suffered a heavy defeat, admitted that the success of the Social Democrats was due to the fact that many who in the past supported the Rights voted this time for the Social Democrats.

According to the press, the increased vote for the Liberal parties and for other Center parties was due to the fact that former supporters of the more Right-wing parties shifted to the side of the Liberals. In recent years the Liberal parties, say, in Scandinavia, largely renovated their program, advancing slogans aimed at defending the petty bourgeoisie against monopoly pressure, and declaring support for some of the demands advanced by the working people.

In the election campaigns the Communist parties advanced clearcut programs for democratic changes and socialism and called on the working people to close their ranks in the struggle against the monopolies.

Among the reasons for the shift to the Left in the developed capitalist countries were resolute rejection of the cold war policies and the encroachments on the economic and political rights of the working people. A considerable part of the working class see the way out of the present situation in lessening international tensions and in curbing the power of the monopolies. However, many groups of working people, primarily those who follow the Social Democratic parties, are not as yet actively deployed in the struggle.

In countries where the Social Democratic parties are strong in the working-class movement, success in the struggle at the given stage will depend in large measure on whether the Social Democrats will fight for the democratic demands of the masses and whether they will take account of the imperative need for joint action by the parties of the working class. The attitude of the Labor leaders in Britain upon coming to power shows that they have turned away from many of their electoral slogans, especially as regards foreign policy. In France, for the first time since 1945, the National Council of the Socialist Party entered into electoral blocs with the Communists in the first round of the voting. But the attitude of the Socialists was inconsistent, motivated as they were not so much by a desire to ensure success for the parties of the Left but rather by a concern for consolidating their own positions. This led the Socialists to join with the de Gaulle supporters against the Communists in a number of places.

In most capitalist countries the Social Demo-

cratic leaders refuse to cooperate with the Communists. But this negative attitude coupled with the attempts to prevent their parties from moving to the Left detracts from the influence of Social Democracy.

The Italian Socialist Party, which is staking on the "Center-Left" government and evading solution of the urgent tasks of the Italian working-class movement, is still in a state of crisis.

The Socialist leaders in Belgium ostracized the Left in their party, forcing them in February 1965 to form a new party standing for federalism and structural anti-capitalist reforms.

The blows from the Left have impelled the bourgeoisie to strengthen its parties, to adopt more flexible policies and to mount an offensive against the parties of the working class. In many countries the question of uniting the capitalist parties to withstand the pressure from the working people is being discussed.

"No matter how things develop the bourgeoisie must defend itself," commented the Italian *Messaggero* in January. "It must organize and combat the new force."

The Norwegian *Verdens Gang*, voicing the interests of the Right, suggested that special attention be paid to cooperation between the

bourgeois parties as "the only real alternative to continuation of Socialist rule. . . ."

In Sweden efforts to establish cooperation between the bourgeois parties have resulted in a closer relationship between the People's Party (Liberals) and the Center Party.

Something similar is taking shape in Finland, where the Swedish People's Party and the People's Party, having drawn away from the extreme Right Coalition Party, are joining hands with a view to consolidating their forces in the struggle against the working-class parties.

The realities of the class struggle in the developed capitalist countries are further proof of the correctness of the policy of the Communist parties in upholding peace and democracy, against monopoly domination, for winning the majority of the people for socialism. Imperialist reaction is trying to complicate the international situation which in recent years has favored the deep-going and steady Left movement of the working class. The class struggle is being intensified both in the countries separately and on the international arena.

The series of elections and the subsequent political developments show that the Communist parties have adopted a correct policy of promoting all forms of the mass struggle of the working people.

LATIN AMERICA

Elections do not play the same role in the political life of Latin American countries as they do in Western Europe. The reason for this is that these countries know neither stable bourgeois-democratic institutions nor constitutional traditions. As often as not, the Latin American ruling classes are not skilled in the art of "democratic" maneuvering, while the masses have not had adequate experience of using bourgeois-democratic rights and institutions in the struggle for revolutionary aims. Usually the fate of governments is decided not at the hustings but in U.S. embassies and in the upper echelons of the military, in the mountains and in the streets of the capitals.

In most countries of the continent election returns cannot serve as an exact pointer to the aspirations and political sympathies of the masses. Practically half a century of a sham democracy used to disguise the dictatorship of the omnipotent oligarchy and the monstrous corruption, the countless military coups, alienation of the overwhelming majority of the population from political life—these and other nefarious practices have not added to public confidence in the electoral machine. It is obvious, for example, that the recent electoral swindles in Nicaragua and Honduras or the "free expressions of the nation's will" now

being prepared in Paraguay and Guatemala cannot be taken seriously by the people, who keenly feel the need for other, really effective ways to get things changed.

And yet it was the elections held in the three main countries of Latin America in March 1965 that became the big event in its political life. The elections varied in character (parliamentary in Chile, parliamentary and municipal in Argentina, municipal in Sao Paulo, the most densely populated and economically developed province of Brazil), and so did the political conditions in each of the three countries. The political system in Chile is nearest to the West European type of bourgeois democracy. In Argentina the democratic institutions and rights are curtailed and, what is more, they exist "parallel" with the rule of the military. Brazil is ruled by a reactionary military dictatorship, which "allows" partial elections (in conditions of terror). However the elections held on March 7, 14 and 21 revealed certain general trends in the aspirations of the masses, in the development of the political situation on the continent after three years of frantic counterattacks by reaction.

CHILE. The general election held on March 7 continued the swing to the Left which has been

the feature of political life in the country during the past four years. The parties of the Right—Conservatives representing the landed aristocracy, and the Liberals, representing industrial and commercial capital closely linked with the U.S. monopolies—lost over half of their seats in Congress. The Radical Party—the party of the middle and small bourgeoisie—also lost heavily. Not only is it no longer the most representative party in Parliament, it has also lost its role as the main political party in the country. The Conservative vote slumped from 14.8 per cent (1961) to 5.3 per cent, the Liberal vote from 16.6 to 7.3 per cent, while the Radical vote declined from 22.2 to 13.3 per cent.

The Popular Action Front (PAF), and primarily the Communist and Socialist parties, polled well. The results were: for the Communist Party 286,000 votes—12.2 per cent of the total (11.8 per cent in 1961), for the Socialists 237,000 or 10.3 per cent (11.1 per cent in 1961). The PAF also increased its representation (from 42 to 49 senators and MPs).

The ruling Christian Democratic Party increased its vote from 16 to 42.3 per cent. It now has an absolute majority in Parliament, giving a "free hand" to President Frei who has advanced a program of social reforms.

The deepening socio-economic crisis, the rise of a mass movement and the rapid growth of the Left which insists on a radical solution to the "age-old" problems confront the ruling classes with the perspective of revolutionary explosions and of complete loss of their political and economic domination.

To stave off the inevitable setbacks Christian Democracy has advanced a program of bourgeois reforms, designed to create a new, more stable socio-political structure and win the masses for the "neo-capitalist" alternative.

A significant role in this has been played by the changed political orientation of the Church which, under pressure from the Catholic masses, has adopted an anti-oligarchy attitude in recent years. It calls for an end to the "monstrous economic inequality," for dividing the latifundia among the peasants and for a "communitarian" society in which factory and office workers would have an equal share with the employers in running the enterprises.

The program of the "peaceful revolution" advocated by the Christian Democrats sounds very radical: agrarian reform which will give land to 100,000 peasants, "Chileanization" of copper-mining, a heavy tax on capital gains, higher wages, better housing, educational reform, an independent foreign policy, trade and diplomatic relations with the socialist countries, and so on. There is no doubt that these promises reflect the interests of large sections of the working people as well as of the national and small bourgeoisie.

U.S. imperialism, too, looks to Christian Democracy, regarding it as a new "line of defense" in Latin America. Washington hopes that Christian Democracy will secure what it calls a "regulated evolutionary and democratic alter-

native" designed to hold back the advance of Communism. In these plans the Frei party is allocated a special role: its success should demonstrate the attractiveness of the Christian Democratic alternative for all the countries of Latin America.

The reactionaries in Chile were far from being happy about the Christian Democratic program. But they were confronted with the choice: either support the CDP or admit the victory of the Popular Action Front. Since there was no other way out the Rights, according to the *New York Herald Tribune*, presented Frei with an unusual mandate: carry out a policy to which the leaders of the traditional parties were opposed.

In their election propaganda the Christian Democrats specified their demands, presented them in popular form and simultaneously played on religious feeling especially with a view to influencing women voters. The usual scare propaganda was well to the fore: a military coup, a U.S. blockade, "red terror," the prospect of a nuclear war—these and other horrendous things, the electors were told, would ensue from a Left victory.

Assessing the outcome of the election, Luis Corvalan, General Secretary of the Communist Party, said that the support given to the Christian Democrats by a relative majority of the voters did not signify that they also supported the pro-imperialist and hegemonist trends of the ruling party; it signified that the electorate believed in the possibility of this party effecting changes and protested against the Right, against the Radical Party and the traditional politicians.

Needless to say, the job of implementing the program of bourgeois reforms from the top, with which the Christian Democrats are confronted, has its difficult sides, to put it mildly. The *finance and monopoly oligarchy* supports the CDP only on the conditions that its interests will not be infringed. By utilizing their economic positions, the Right will try to use the CDP as their principal political instrument and insist on it forgetting its election promises. On the other hand, the *reformist bourgeoisie* personified by Frei dreads the mass movement, without which no far-reaching reforms are possible.

It is quite clear that in Chile as in other Latin American countries it is impossible to effect any serious changes in the socio-economic setup without infringing on the interests of U.S. imperialism. But the Frei government, as its first steps have shown, is incapable of taking the way of resolute anti-imperialist struggle. The latest agreements with the U.S. copper companies were qualified in Washington as the "first major trial" for Chilean Christian Democracy, which ended "quite satisfactorily."

It should not be forgotten, however, that the government is under strong pressure from the masses who expect it to carry out profound changes. The rank and file Christian Democrats, too, expect changes. One of them told a *New*

York Herald Tribune correspondent: "If Frei turns to the Right he is no longer my leader."

Success in social progress at this stage depends primarily on the militancy of the mass movement. When Liberal reformers wish to take one step, Lenin said, it is the duty of the revolutionaries to compel them to take two steps.

With regard to the Christian Democratic government the Communist Party has adopted an "attitude of firm and active but not blind opposition" which presupposes "steady action on behalf of the working people and the masses generally, in defense of the common interests of the nation, democratic rights and social gains." At a time when the reactionaries have suffered a setback, with the vast majority of the population insisting on things being done, Comrade Corvalan stressed, the possibilities of an offensive by the Left have grown: "our aim is to secure genuine changes, pave the way to a truly people's government and real revolution."

The Popular Action Front, while supporting the progressive steps of the government, criticizes its weaknesses, and advances counter-demands designed to impel the government forward. The United Trade Union Center has drawn up an extensive program of socio-economic demands for which the workers are fighting by strike action. Reluctant to wait for a land reform law, peasants in some parts of the country are seizing vacant land held by the big landowners.

Enormous importance attaches now to the unity of the revolutionary and progressive forces—Communists, Socialists, national democrats, the Left Catholic movement and the United Trade Union Center. "Preserving the unity of the Popular Action Front," commented *El Siglo*, newspaper of the Communist Party, "is the imperative need of the moment."

Mass action and unity of the Left will open up the perspective for a genuine revolution in Chile.

ARGENTINA. The March 14 elections to legislative organs and municipal councils took place in an atmosphere of arbitrary rule. In violation of the law, the Communist and Peronist parties were barred from nominating candidates. Only in four provinces were Communists allowed to run, and in some of these only for the municipal councils. In keeping with its unity policy (while reaffirming its disappointment with the divisive policy of some Peronist leaders), the Communist Party decided to give its backing everywhere to the candidates of the Peronist movement which is supported by large sections of the working class and the people generally and which advanced a progressive, democratic program. (The Peronist party fought the elections under the name of the Popular Union.)

The vote was divided, in the main, between the Communist-supported Popular Union, which polled 2,902,912 votes, or 30.96 per cent of the total, and the Civic Radical Union, the ruling

party, which received 2,679,251 votes, or 28.52 per cent. Thus, the majority of the electors—more than 5 million (almost 60 per cent)—voted for a progressive program. The supporters of the Popular Union (mostly workers) called for radical progressive changes. Those who supported the ruling party came out against reactionary coups, for democratic legality and for moderately progressive steps by the present government.

All other parties—centrist and Right—lost votes. Frondizi's movement for Integration and Development received 589,375 votes (6.22 per cent), the conservative Federation of Parties of the Center, 489,238 (5.22 per cent), and the Civic Radical Intransigent Union, 407,756 (4.35 per cent). The Christian Democratic Party, which had hoped for a "second Chile," obtained a mere 249,026 votes (2.66 per cent). The extreme Right parties suffered a resounding defeat. The ultra-Right Union of the People polled 184,190 votes (1.96 per cent) and the Right-wing Socialist Party, 172,354 (1.84 per cent).

The importance of the Communists' support of the Peronist candidates was admitted by government spokesmen, by the press and by Peronist leaders. This support ensured them a bigger vote than in the previous elections. Incidentally, in Tucuman province, where the Communists voted for the Peronist Provincial Action, and not for the Popular Union, victory was won by the former. The main thing was that the Communist support imparted a clear-cut programmatic, political character to the Peronist victory.

Since these were not presidential elections, their outcome was not of decisive importance. But the heavy blow suffered by the ultra-reactionaries and the splitters, and the overwhelming vote for progress and democracy showed the *continuing swing to the left*.

The March 14 elections revealed the existence of a certain balance between the pro-government forces and the advocates of resolute anti-imperialist changes, a balance which, given greater cohesion of the working class and its unity with the other popular forces, can open up new prospects for democratic and progressive development. Another reactionary coup is perhaps less likely today than some time ago, but this does not mean that the reactionaries will not do their utmost to interrupt democratic development again.

The significant feature of the elections was, without doubt, the Peronist-Communist unity. In the big enterprises joint committees were set up to support the Peronist program, and Peronists and Communists jointly held meetings and distributed election literature.

At a meeting on March 27 and 28 to discuss the results of the elections, the Central Committee of the Party outlined the main immediate tasks: to step up the fight for working class unity and for a worker-peasant alliance, for pooling all the patriotic and anti-imperialist forces in a National Democratic Front with an anti-imperialist and anti-oligarchy program,

for a policy of peace, and to intensify the Party-building campaign.

BRAZIL. On March 21 municipal elections were held in Sao Paulo, the most populous and economically developed state of the country. The results were further proof of the people's opposition to the reactionary military dictatorship.

The elections were preceded by major political actions which were part of the general struggle against the dictatorship. The working class, which has maintained unity in all sections of the trade union movement; the peasants' organizations, which are gradually overcoming the consequences of the blows inflicted on them by the reactionaries after the events of April 1964; the militant and united student movement; broad sections of the progressive intelligentsia, and other popular forces are active against the dictatorial regime, in defense of democratic freedoms. They are demanding elections to organs of power within the time limits established by law. This demand is contained in the platform of the National Movement for Democracy and Development, a united front organization the founding of which was proclaimed in a manifesto signed by 700 representatives of political parties and mass organizations. The Movement is also supported by the Communist Party.

The supporters of the dictatorship, especially the ultra-reactionaries in the armed forces, were against holding elections both in the state of Sao Paulo and in its capital.

However, most of the political parties insisted on the elections being held.

And the fact that they were held was a big political defeat for the reactionaries and U.S. imperialism. No less indicative were the results of the elections in the state capital, which has a population of five million. A convincing victory was won there by General Jose Faria Lima, who was supported by the followers of ex-President Janio Quadros (whom the dictatorship has deprived of political rights), by the Communists and other opposition groups. He polled 463,743 votes, about half the total. De Barros's candidate finished third with only 12 per cent of the votes. The candidate of the ruling National Democratic Union suffered an even heavier defeat.

The democratic movement has succeeded in forcing the government to announce that elections for governors and deputies to legislative assemblies in eleven states will be held in October, and next year, in all other states. Castelo Branco sent a message to Parliament proposing general elections in 1966.

The struggle around the Sao Paulo elections and their outcome show how unstable the dictatorial regime is. It has been forced onto the defensive on a number of key issues.

* * *

The elections in Chile, Argentina and Brazil were an expression of the striving of the masses for radical changes, for social justice and

democracy, a striving which neither "gorilla" coups, imperialist blackmail nor the tranquilizer of pseudo-reforms can suppress. The forces fighting for renovation obtained about 70 per cent of the votes in Chile, more than 60 per cent in Argentina and over 50 per cent in Sao Paulo.

The crushing defeat of the Right, representing both the classical oligarchy and the pro-imperialist bloc of the big bourgeoisie and the military, was the most striking result of the elections. The parties of conservatism, pursuing a reactionary policy, greatly discredited themselves in the eyes of the working people.

True, the elections also showed something else: the protest of the masses against the system and their longing for deep-going changes have not yet brought the majority of them to consistently revolutionary positions. The political awakening of the formerly passive masses who followed in the wake of the traditional parties, the objective difficulties encountered by the revolutionary process on the continent and a number of other factors channeled most of the protest into *neo-reformist* or *Left nationalist* movements (Christian Democracy, Peronism, and "Janism").

These parties and trends proclaim radical change and even revolution as their goal and present themselves as enemies of the oligarchy, of the military clique and, as far as the supporters of Peron and Quadros are concerned, of imperialism. That was what attracted the masses to them and ensured their victory. The future will show the possibilities and prospects for these heterogeneous movements, what role they will play in the forthcoming battles, whether they will be able to move to the Left with the masses, or whether they will become an obstacle in the way of the revolution. The Communists are working for firm alliance with the masses supporting these trends, with the Left, anti-imperialist elements from their leadership who favor unity.

Another result of the elections, and further proof of radicalization was the *growth in the influence wielded by revolutionary forces*, above all by the Communist parties. Wherever the latter were able to act independently the number of votes cast for them increased. Where no such possibility existed, the votes of Communist and other revolutionaries facilitated the victory of the Left-Center trends and furthered the consolidation of the forces of democracy and progress.

In the aggregate these processes are indicative of the continued general swing to the Left. This is the reply of the peoples to the reactionaries' talk about the "receding tide of revolution" in Latin America. The unwillingness of the masses to continue to live in the old way, so vividly displayed during the elections, shows that the roots of revolution are ineradicable, that revolution remains on the agenda in Latin America, that the "critical stage" of the continent's development is far from having passed.

The March elections of 1965 did not change substantially—nor could they have—the political

situation in the countries concerned or in Latin America as a whole. But along with the spreading armed struggle in some Caribbean countries, the vigorous actions of the proletariat in Uruguay, Argentina, Bolivia, Colombia and Venezuela, the success of socialist construction in Cuba, and the qualitative changes in the consolidation of the unity of the revolutionary forces

of the continent, the results of these elections show that the revolutionary process is continuing to develop in different ways in Latin America. The masses have awakened and are preparing for decisive battles. And although this process is proceeding perhaps not as quickly as the revolutionaries would like it to, it is no longer possible to reverse it.

GROWING UNITY OF THE DEMOCRATIC FORCES

PIERRE HENTGES

THE MUNICIPAL elections held on March 14-21 served as a barometer of the political climate in France at the present time. With the presidential elections due to be held six months from now the press is already asking the questions: where does the de Gaulle government stand after seven years in office? What will happen to Gaullism without de Gaulle? What are the prospects for the democratic forces in France?

Although the municipal elections did not provide a conclusive answer to these questions, they did reveal two important facts:

1) that Gaullism, despite the influence it still enjoys, has suffered its biggest defeat to date; its prestige and its mass base have again diminished, and de Gaulle's UNR party at any rate is now only a party of the minority;

2) that the Communist Party, on the other hand, is increasing its influence and acting as the vanguard of the democratic forces.

There are now 33 Communist municipal councils in towns with a population of over 30,000; 25 of these were re-elected with a big gain for the Communists and eight new ones won. The Socialists control 32 municipalities, the UNR, only 25. Another indicative figure: out of the sixteen principal cities of France, the UNR is represented in only two municipalities and has an absolute majority in only one (Bordeaux).

In the course of the campaign the Gaullist leaders made no secret of their desire to use the elections to reinforce the authoritarian regime. Prime Minister Pompidou,

speaking on television, urged the voters "to end the regime of the parties at all levels of government." The new electoral law which prohibits any changes in election lists in the second round in towns with more than 30,000 inhabitants, was aimed largely at ensuring victory for the Gaullist bloc over a scattered opposition.

Michel Debre, Chairman of the UNR group in the National Assembly, stressed that the results of the elections in Paris would have "profound national and international repercussions." The former Premier was evidently certain that Gaullism would win a resounding victory in the capital. And considering that the 31 deputies elected in 31 electoral districts of Paris in 1962 were all members of UNR without exception there seemed to be good grounds for the confidence. In 1965, however, Paris was divided into 14 electoral sectors for the election of 90 municipal councillors. The joint democratic lists won in six sectors, electing 38 councillors, 24 of them Communists. The Gaullists lost 153,000 votes in the capital as compared with the 1962 parliamentary elections. With 39 candidates (including 25 members of the UNR) de Gaulle's supporters lost the majority in the municipal council, while 16 deputies of the National Assembly and one cabinet minister were defeated. Nor was this an isolated instance, for on the scale of the whole country nearly 60 Gaullist MPs and ministers were defeated (e.g., Sainteny in Paris, Herzog in Lyon, Morin in Angers).

But, of course, Paris actually takes in

more than the administrative area of the capital proper. It is surrounded by a belt of communities—some of them quite large, like St. Denis, Ivry, Villejuif, with a predominantly working class population. Here the democratic bloc formed in the first round of the voting by the Communist Party, the Socialist Party and the United Socialist Party, won a resounding victory. In the Seine department, the suburb nearest to Paris, the joint democratic lists won in 26 of the 39 communities with over 30,000 inhabitants. Twenty-two of these communities now have Communist mayors. Another new and unquestionably significant fact testifying to the growing strength and prestige of democratic unity is that in three of the suburbs (Aubervilliers with 70,000 inhabitants, Gennevilliers with 42,000 and Villejuif with 46,000) not a single political group was able to challenge the democratic list. And if the Paris suburbs are traditionally known as the "red belt" it must be said that never has that belt been as strong and as "close-fitting" as it is at present.

"Paris is not the only disappointment for the UNR," wrote the *Monde* (which since 1958 has been drifting further and further away from the Gaullist regime as the latter has regressed) after the second round of the elections. Even though the UNR gained a few municipalities, the paper continued, it lost a good deal more and suffered setbacks in towns where it was confident of success, as for example in Grenoble, where the UNR was defeated by the "center" coalition after the withdrawal of the Communist candidates, and also in Du Mans, Colombes, Norgent-le-Rotrou and Saint-Dié.

"The voting on the two last Sundays revealed a definite anti-Gaullist trend," wrote the Socialist paper *Populaire* on March 23. This dominant feature of the elections was noted by everyone, including the Gaullist leaders themselves, although the opposition took a great variety of forms, and the alliance between the Socialists and Communists was by no means realized everywhere as effectively as in Paris district and in towns like Saint-Brieux, Aubusson, Aurillac, and Lorient where it led to a common victory.

There is an element of truth in what *The Times* (London) said when, commenting on the French elections, it stressed the "tradition of voting loyalty" among the voters of the old parties, the Radicals, Socialists and MRP (Catholics), a tradition that balks at the totalitarian aspirations of Gaullism and which Roger Frey, de Gaulle's Minister of the Interior, wishing to disguise his Party's

defeat, rather curiously interpreted as the "stability" of the voters.

In an interview given to the Communist Party weekly *France Nouvelle*, Paul Laurent, head of the Paris Federation of the Communist Party, spoke of the interesting evolution that occurred between the first and second rounds of the elections in "the attitude of the electors voting for lists which included reactionaries other than the UNR. Where these lists remained in the running in the second round their supporters voted for them again even though this prevented a UNR victory and although their list polled less votes than the UNR. This shows how determined the voters were to prevent a Gaullist candidate from winning."

It is precisely the presence of these non-Gaullist forces, vaguely designated by the bourgeois press as "moderates" or "centrists" (sometimes as the "right" center, sometimes the "left" center), that helps to explain why the Socialist leaders, for purely election purposes, often sought alliance with these forces in preference to joining with the Communists.

In pursuing its realistic policy of unity which implies making full use of all existing possibilities and never losing sight of the perspectives this opens for the future, the Communist Party had to be prepared for the Socialist leaders adopting such a course in municipalities where a good part of the electorate voted Socialist in the first round. In Grenoble, for example, the Communists ensured the victory in the second round of a disparate coalition which had more chance of defeating the UNR than the joint democratic list put up by the Communist Party, although the Socialists had joined that coalition after refusing to present joint lists with the Communists which had every chance of winning. Our Party also helped the election of Socialists opposed to unity in other towns as well, for example in Boulogne and Bruay in Pas de Calais.

An idea of the obstacles to the policy of unity pursued by the Communist Party, and to the general striving for unity manifested in the Socialist Party, may be gained from the fact that in some cities, such as Amiens, Saint-Quentin, Issy-les Moulineaux, where the Socialist mayors had been expelled from their party for concluding alliances with the reaction, they were nevertheless re-elected in the first round.

The extraordinary diversity of the Socialist positions, beginning with open alliance with the Communists down to coalition with outright reactionaries, naturally create serious problems for the Socialist leaders, problems affecting not only the line of their party,

but also its cohesion and perspectives. This was strikingly evident in the case of Rheims. The Socialists there joined with the Catholic MRP in the first ballot. But when the MRP withdrew from the second round in favor of the UNR, the Socialists turned against the MRP and advised their constituents to vote for the Communist-Socialist ticket. Although the candidates of this list were not elected they polled considerably more votes in the second ballot.

Elsewhere (and this is what ensured the unity policy some of its most remarkable victories) the voters refused to follow the Socialist leaders who had allied themselves with the reactionaries. This is what happened, for instance, in le Havre (185,000 inhabitants) where the UNR withdrew in favor of the Socialist mayor, in Nimes (105,000 inhabitants, the capital of the Gard department) and in Ales (45,000 inhabitants).

This alignment of political forces shows that parallel with the growing anti-Gaullist trend, a new setback for anti-communism is to be observed. This has occurred not only in cases when, as the *Populaire* noted, "lists that included Communists were the only ones challenging the UNR," but also when, after the sincere offers of unity made by the Communist Party were rejected, these lists proved to be the only ones opposing the unprincipled alliances of Socialists and reactionaries.

The election battle was especially fierce in Marseilles, second largest city in France, where the reciprocal withdrawal of Socialist and Communist candidates in the 1962 parliamentary elections helped to elect three Communist and three Socialist deputies and defeated all the reactionary candidates.

In this year's municipal elections, however, the Socialist mayor Gaston Defferre turned down all proposals for unity and, a candidate for the Presidency, categorically refused to enter into any alliance with the Communists on a common platform.

The other Socialist leaders in Marseilles, as for example, Deputy Matalon, disavowed Defferre and joined with the Communists. Their common ticket polled the biggest number of votes in the first round, leaving the Defferre and UNR lists far behind. With the 83 per cent of the votes cast for the Socialists and Communists in 1962, they now have a total of 22 seats in the three electoral districts of Marseilles, while Defferre, who gained 41 seats in the five remaining districts, won only thanks to the support of all the forces of reaction, including the Gaullists. What happened in Marseilles on the scale of one city was a reflection of an extremely

important process to be observed throughout the country, namely, the polarization within the Socialist Party of two trends (one, unitarian, the other, anti-Communist) which is going on in every federation, every district, and of course in the hearts and minds of many Socialists.

What did the Socialist deputy Matalon have to say after the first round of the voting in Marseilles?

"We have remained Socialists, we believe that for us there cannot be enemies from the Left, and a great many understand our position. After yesterday we know that it is we who are waging the struggle against the UNR."

What did Defferre say?

"The results of the first ballot have shown, just as we predicted, that the struggle for the municipal council was fought between us and the Communists."

What did the General Secretary of the UNR say?

"The UNR, for its part, withdrew its candidates each time we saw that unless we did so the Communists might win. In Marseilles, for example, the UNR appealed to all Party members to retire from the contest after the results of the first round became known and decided not to put up any candidates in this city in the second balloting."

Far from rejecting this undisguised offer, Defferre, on the contrary, gave it wide publicity in his newspaper *Le Provençal*.

More than that, on March 19 *Provençal* published an appeal of the so-called Society of Repatriates from the Overseas Departments (an organization in which many former OAS fascists have taken cover) exalting the memory of the "martyrs"—like the killer de Gueldre or Bastien-Thiery who attempted to assassinate de Gaulle, and urging people "out of respect for their memory" to vote "for the ticket most likely to defeat extremists of all kinds," i.e., to vote for Defferre.

Had Defferre agreed to the alliance proposed by the Communists, there would be more Socialists in the Marseilles municipal council than there are today, and the council would be spared the presence of the reactionary constellation of 11 "independents" (instead of seven, as before), five members of the MRP (instead of three), three repatriates from Algiers, one Gaullist and one Radical.

Summing up the results of the election in a statement issued on March 22, the Communist Party stated:

". . . Experience shows that when the working class and democratic forces are

united they can defeat the UNR and the other reactionary forces. This proof might have been even more conclusive and the defeat of the regime of one-man rule heavier still, had the democratic forces been united in the first ballot in all towns with a population of over 30,000 and everywhere in the second ballot, as the Communists proposed."

The defeat of de Gaulle is all the more significant in the light of his avowed intention to integrate all political life in his authoritarian regime, a step which would destroy all the traditional institutions of bourgeois democracy.

De Gaulle's attitude to the Communists is no different from his attitude to parliament, which he expressed soon after he came to power.

"If it should happen that tomorrow's parliament would not wish to be content with the role assigned to it," he said, "there is no doubt that the Republic would be involved in a new crisis, and no one can predict what would happen, except that in any case parliament as an institution would cease to exist for a long time to come." (Press conference on October 23, 1958.)*

As for the municipal councils, a UNR success in the March elections would unquestionably have encouraged the government to hasten the realization of measures it has been planning for many years to curtail, or perhaps even to abolish, the present powers of the mayors in the larger towns and primarily in the Paris area.

But the situation in France has changed a good deal since those days in 1958 when de Gaulle polled 79.25 per cent of the vote in the September 28 referendum and when the Gaullist politicians called for an "assault on the Communist municipalites." The Communists at that time were the only ones who said "no," the only ones who did not succumb to the cult of de Gaulle, the only ones who said that the salvation of France rested not with one man, or with one party, but with all the national and democratic forces of the land. That was the time when Guy Mollet was a member of de Gaulle's government and when the Socialist Party proclaimed itself in its posters to be standing "at the helm of the Fifth Republic."

The results of the March elections added weight to the warning sounded for de Gaulle and the UNR by the October referendum of 1962 and the parliamentary elections in November of the same year. De Gaulle received five million less votes than in 1958, and the percentage of votes dropped from 79.25 (at

the time of the referendum) to 61.75 (which is only 46.44 per cent of the registered vote), despite his announcement that he would not be satisfied with a small, negligible and unreliable majority. True, owing to the unfair voting system, the UNR with only 31 per cent of the votes was able to gain the majority, but for the first time it found itself opposed by a united front of Communists, Socialists and other republicans.

What results can the sixty UNR ministers and MPs who were defeated in their own constituencies expect from future elections?

Of course de Gaulle tried to minimize the significance of the municipal elections by saying that "he did not interfere in this election campaign since it in no way affected the destiny of the nation." But the fact remains that de Gaulle has never ceased for a moment to interfere in French political life. Did he not say that he alone "guides," "directs," "decides," "appoints," and "negotiates," and if the UNR had gained the upper-hand would that not be his victory? It is easy to say: "the left hand knoweth not what the right doeth," but was de Gaulle deaf when his Minister of the Interior declared a week before the municipal elections that the elections were "only one stage, only the prelude to the hour of truth which shall strike at the moment the Presidential elections are held at the end of this year and at future parliamentary elections" (in 1967)?

Was he blind when the UNR election posters in Paris carried the portrait of the President urging the voters to elect so-and-so and Help de Gaulle? And was he really indifferent to the fate of his ministers who ran for election, the MPs he had urged people to vote for in 1962 and of whom he said: "They owe their election to me"?

Commenting on the results of the March municipal elections, Prime Minister Pompidou consoled himself with the thought that "Gaullism as a movement is the only real force in the country that can stand up to the Communists." Pompidou, however, is anxious to hide the fact that one of the main aspects of the struggle in France today is that the Communists' efforts to unite the democratic forces have not been in vain, that despite the efforts of some Socialist leaders, such as Defferre for example, to prevent it, unity is, nevertheless growing stronger. The unity manifested by the masses in Paris, in the Seine, Seine-et-Oise departments and in a number of big cities will not be broken. Since 1962 the Communists and Socialists have on more than one occasion marched side by side and have even reached agreement before striking a com-

**Histoire du Parti communiste français*. Paris, 1964, p. 65.

bined blow. The joint lists, the withdrawal of candidates in favor of the other party, the friendly relations born in the common struggle—all have created a better atmosphere in the relations between individual members of both parties and have led to greater understanding.

Of course the struggle for unity is still far from easy. The Communist Party, the party of the working class, is obliged to take account of the different and often conflicting interests of the members of the middle classes in the Socialist Party and in the other Left organizations. The policy pursued by the parties and groups relying on the middle strata, on the less class-conscious sections of the working class, inevitably reflects the latter's illusions, fears and prejudices. This explains why they tend often to be inconsistent and vacillate. But, as Maurice Thorez said, this makes it incumbent upon us to fight for unity for two, so to speak, that is for ourselves and for them. We shall endeavor to prove to them—as we have often done in the past—that democracy can be restored and extended only in alliance with the working class and the Communist Party.

Despite the powerful machine of pressure and propaganda at the disposal of the Gaullists, it is far more difficult today for the big monopoly bourgeoisie to delude the working masses and the petty bourgeoisie of town and countryside. A regime which officially proposes to eliminate 800,000 small farmers can hardly pose as the champion of the working peasantry. It can hardly claim to defend a democratic system of education if it subsidizes parochial schools and opposes an educational reform that would give the children of the people access to education at all levels, to all spheres of culture. In 1962 de Gaulle boasted that the nation was "on the upgrade." Taking advantage of the favorable economic climate, he depicted the situation in France as a general condition of prosperity enjoyed equally by all. But de Gaulle did not—nor did he ever intend to—do away with the brutal laws of the capitalist world. For the first time in the past six years industrial output has declined as compared with last year. Emile Roche, Chairman of the Socio-Economic Council, opening the international fair in Lyons, said: "There has been a decline in business activity in a number of branches of our industry; the working class has also been affected since the reduction in the number of working hours is bound to affect the worker's purchasing power." The National Institute of Statistics reports that "industrial production will continue slowly to decline."

And now it is not only the Communists who point out that the structural changes of which the de Gaulle government boasts are actually nothing more or less than a reinforcement of the capitalist structure and the private monopolies. "The policy pursued since 1958 and especially in 1962," former Radical-Socialist Chairman of the Council of Ministers Mendes-France wrote some time ago, "consisted in transferring the levers of management, the essential levers of planning, and especially of financing, from the state to private interests. Financially, we are virtually faced with a policy of systematic destruction of the means of state intervention . . ."

The Communist Party holds that if the democratic parties and groups could form an alliance on a common democratic program this would mark a new and important step forward in the struggle against the one-man rule. It would give the republicans a clear perspective and at the same time dispel the fears of the instability, vacuum and chaos which government propaganda depicts as inevitable if de Gaulle goes. That is why wherever unity was achieved even before the first round of the voting, it imbued the masses with confidence and assurance. This element of confidence will surely be denied any candidate for the presidency who, like Defferre, categorically rejects the very idea of discussing a common program for the democratic forces.

On the other hand, the Communist Party and the force it now represents in the country would not be deceived by those who, speculating on its desire for unity at all costs, and on the fact that since the Gaullist electoral law allows only two candidates in the second ballot for the presidential elections, are counting on the support of the Communist vote without assuming any obligations toward the voters.

In a report delivered on March 31 to the meeting of the Central Committee of the Party, Gaston Plissonnier, member of the Political Bureau and Secretary of the CC, made the Communist position on this score quite clear.

"The so-called centrist operation," he said, "supported by a considerable section of the electors, especially in the first ballot, is a new element which testifies to a definite cooling toward the regime but which at the same time poses the question: *what will be the outcome — democratic or reactionary?*

". . . The bourgeoisie does not want to be faced with the dilemma of having to choose between the one-man rule or concessions to a union of democratic forces and genuine democracy.

"The bourgeoisie wants to create the conditions for another alternative and to hinder the realization of the alternative we offer. The regrouping and switching of votes in the *centrist lists* is a reflection of this tentative policy which will in all probability be intensified during the presidential election campaign.

"As regards that campaign, we must repeat that the Communist Party will advocate one common candidacy advanced on the basis of a joint program. If this proves impossible, the Party will nominate its own candidate."

The Communists maintain that there are many identical points in the election programs of the Communist and Socialist parties which would facilitate the defining of a common platform for the two parties:

- opposition to the one-man rule;
- implementation by the government of laws drawn up and adopted by parliament;
- equality in the use of the state radio and television facilities for the different trends of public opinion;
- defense of political and trade union rights;
- a higher living standard, i.e., wages, grants and pensions;
- more credits for state schools, for housing and social welfare;
- four-weeks' paid holidays and abolition of zonal restrictions;
- return to the secular character of the state and school system and democratization of education;
- defense of the small farmers and support for agricultural cooperatives;
- more credits for the needs of the youth — for physical culture, sport and recreation facilities;

against the nuclear strike force, and struggles for general, complete and controlled disarmament.

The Communist motto — eliminate everything that divides us and preserve that which unites us — is more valid today than ever before. Moreover, the Communists are anxious to promote the general striving toward socialism irrespective of the existing differences between Communists and Socialists as regards ways and means. The Communists know that it is not by trying to force developments, either in politics or in ideology, that real progress is made.

Of course, there are still many difficulties on the road to unity. But the growing opposition to the one-man regime on the part of the working people of town and countryside in the past two years represents what is basically a united movement. And this is the dominant feature of the French political scene at the present time. This is confirmed also by world public opinion. Some of its sections, proletarians and democrats in all countries, rejoice at the growth of the movement for unity and the growing strength of our Party, which fights against the Gaullist regime and emerges from elections stronger than before. Others look with dismay at the processes taking place in the political life of France. The crucial issue today is not exploring avenues of agreement with one or another Socialist leader opposed to unity, but of providing the Communist answer to the demands of the popular movement. The Communists will persevere in their efforts to promote the unity of all working people, all republicans. And taking into account the significant changes taking place in the country, they will go forward confidently along this path. As Maurice Thorez said: "We must strike the iron while it's hot!"

A tangle of contradictions

* * *

The Middle East, one of the most dynamic and explosive areas in the world, is constantly in the focus of world attention. It is the scene of a sharp political struggle between the forces of national liberation, progress and peace and the forces of imperialism, reaction and war. The conflicts that have flared up in the Middle East in the past decade have on more than one occasion developed into serious international crises fraught with the immediate threat of war (the Suez crisis in 1956, the intervention by the Western powers in the Lebanon and Jordan in 1958, the armed clashes on the borders of Israel and the Arab countries in 1961-1964, etc.).

At present peace-loving people everywhere are anxiously following developments in Northern Iraq, where hostilities launched by the Iraqi army against the Kurds, who are demanding the right to self-determination, have given rise to a dangerous situation menacing the peace and security of the entire Middle East.

Until recently the place of the Middle East in world politics and economy was determined by two factors—its strategic position and its vast oil deposits, estimated at more than 20,000 million tons, or nearly 70 per cent of the total oil wealth in the capitalist world. The strategic importance of the Middle East and its oil have been the main considerations behind the aggressive policy of the United States and other Western powers in this part of the globe.

Today developments in the Middle East countries cannot be properly understood without taking into account the powerful upsurge of the national-liberation movement there. Many of these countries, primarily those of the Arab East, which cover the biggest area, have won independence and emerged as new, independent factors influencing the alignment of political forces, international relations in the Middle East, and the solution of important world issues.

The present stage of the national-liberation movement and the political situation in the independent Middle East countries is marked by a growing internal struggle over the choice of their path of development. Two main trends can be observed here.

The first is towards the extension and consummation of the anti-imperialist revolution, towards consistent and radical realization of the tasks of economic and social regeneration in the interests of the masses—the solution of the agrarian problem on the principle of "the land to those who till it"; radical improvement in the position of the working class and the working masses generally; democratization of state administration and of the entire system of government. This trend offers immediate prospects of the national-democratic revolution evolving into an anti-capitalist revolution, and the Middle East states embarking on the non-capitalist path of development. As a rule this trend in most of the independent countries of the Middle East is represented by a bloc of Left progressive forces which includes the advanced sections of the growing working class, the peasantry, the patriotic national bourgeoisie, and particularly the progressive civil and military intelligentsia, which in some countries led the national-liberation struggle of the masses.

The second trend is toward introducing certain socio-economic and political reforms while preserving and consolidating capitalism. The advocates of this course are the reactionaries including the numerically insignificant big national bourgeoisie, the feudal landowners (now closer to the bourgeoisie), as well as the various petty-bourgeois sections which follow in the wake of the Right bourgeois-nationalists (i.e., the reactionary section of army officers, government officials, small and medium shopkeepers).

The class struggle over the choice of ways is particularly intense in the United Arab Republic and Syria, where some substantial socio-economic reforms aimed at curbing the capitalists and restricting capitalist and semi-feudal exploitation have been carried out, and also in the Sudan, Iraq and Yemen. Echoes of this struggle are becoming increasingly audible in the largest Middle East countries—Turkey and Iran. The profound economic and social

crisis that grips these countries shows that capitalism is incapable of solving the urgent problems of their economic and social regeneration and improving the position of the poverty-stricken masses. Progressives in Turkey and Iran hold that the way out of the impasse lies through a radical change in domestic and foreign policy, far-reaching socio-economic reforms, democratization of the social system and the government apparatus, and adoption of the non-capitalist path. These ideas are winning support among the masses in these countries.

Imperialist circles in the United States and elsewhere are closely following the sharp political struggle in the Middle East countries over the choice of way. In an effort to steer developments there to their own advantage, they are seeking to aggravate the situation in this area.

Of late numerous emergency meetings of CENTO and conferences of high-ranking military and civilian officials of the Western powers have been held to examine the situation in the Middle East. These secret meetings were preceded by the visit to Tel Aviv and other Middle East capitals of Averell Harriman, the U.S. President's special envoy, Under Secretary of State Talbot, and the commander of the U.S. Sixth Fleet. Middle East problems were discussed also during talks in London, Paris and Bonn. This activity on the part of leading U.S. spokesmen and the aggressive CENTO bloc "coincided" with the concentration of Israeli troops on the Jordanian border and a marked increase in the number of incidents on the frontier between Israel and the Arab countries, particularly Syria; with the armed provocations and resumption of hostilities against the Kurds in Northern Iraq and with stepped-up operations of the British troops against the rebel forces in Southern Arabia.

All this adds up to a new conspiracy by the imperialist powers headed by the United States, aimed at the neo-colonialist subordination of the independent countries of the Middle East, and primarily of all the Arab countries marching in the vanguard of the anti-imperialist struggle of the peoples of that area, at annulling the gains of the revolution in Syria, the UAR and other Arab countries, and at undermining their solidarity in the anti-imperialist struggle. While stepping up their subversive activities and interfering in the internal affairs of the Middle East countries, the imperialists are trying at the same time to divert the attention of world public opinion from the U.S. aggression in Southeast Asia.

The experience of the recent past shows that whenever the peoples of the Arab countries and the entire Middle East have acted in a solid front, the imperialist adventures have suffered a fiasco. The unity of all revolutionary, progressive forces in the Middle East countries which rely on the support of the socialist camp and the international working-class movement in their struggle against imperialism, is a guarantee of their victory over the forces of imperialism and reaction.

In this issue the reader will find articles examining the political situation and new trends in the national-liberation movement in some of the Middle East countries—Turkey, Iran and Iraq.

* * *

TURKEY: ***Ways of development***

YAKUB DEMIR, HALIS OKAN

AFTER HALF A CENTURY of the capitalist way in Turkey all the facts show that capitalism has not solved the socio-economic problems of the country, has not ensured a rapid advance along the highway of progress. To this day Turkey is a backward country, dependent economically and militarily on the imperialist

powers. The annual national income per head of population is a mere \$163. There are nearly a million and a half wholly unemployed in the country, and several million semi-unemployed who depend on occasional earnings. Over 60 per cent of the population is illiterate. Today Turkey owes more than \$2,000 million or over

21,500 million Turkish lira to foreign states and banks — a sum several times as great as the gold and currency reserves of the country. The foreign trade deficit amounted in 1961 to \$162.3 million, 238 million in 1962, \$320 million in 1963, and \$126 million in six months of 1964.

The profound economic and socio-political crisis caused by following the capitalist road was one of the main reasons for the coup d'état of May 27, 1960. But the coup, carried out by the military, did not resolve the crisis. And because of this the question of the way to take now is being raised with growing frequency in the press and among the public. Should our country continue along the capitalist road, remaining dependent on the imperialist powers financially, economically and politically, or should it take a different way?

For the leaders of the bourgeois parties and their ideologists capitalism is the only way suitable for Turkey. Contrary to the facts, they argue that it has benefited the people and that it is best suited to their interests.

Progressives, and in particular the Communist Party, suggest a different way, the non-capitalist way, and hold out the perspective of socialism. They add, however, that at the moment the objective conditions and prerequisites for an immediate transition to socialism have not as yet matured in Turkey. For this a period of time is needed during which all the obstacles impeding the rapid economic advance of our country should be removed and the conditions for building socialism created.

In our opinion, the objective conditions for cutting short the further growth of capitalism and adopting the non-capitalist way are taking shape in the country. One of the *economic* factors conducive to the transition is the existence of a large state sector which accounts for over half of the industrial output. So far this sector serves the interests of capitalism and is a state-capitalist sector. But if this sector were placed on a democratic footing and its capitalist nature changed it could serve as the economic basis for the country's advance along the non-capitalist road.

Another important factor of a *political* nature is the change in the relationship of the political forces and the growth of the progressive forces advocating the non-capitalist way and socialism. Under the impact of the success of the socialist countries and the newly-independent states of Asia and Africa the ideas of socialism are becoming increasingly popular in Turkey. The socialist orientation and transition to the non-capitalist way are now favored not only by the vanguard of the working class but also by numerous intellectuals — people who command considerable influence in the Labor and Social Democratic parties and in the Left wing of the People's Republican Party. Socialism and the non-capitalist way are supported also by a large section of the student movement.

The influence in the army of the ideas of national liberation should also be noted. Patrio-

tic officers, dissatisfied with the present state of affairs, hold that the regeneration for which the 1960 coup was carried out is not being implemented. Many of them now support the democratic reforms and demands advanced by the progressive intellectuals and the working class.

So, the relationship of political forces is now changing, we believe, in a direction opening up before the progressives the possibility of ousting from power the reactionaries tied up with imperialism, of forming a national-democratic government, and effecting democratic changes, i.e., the possibility of creating the *political* prerequisites for the transition to the non-capitalist way of development.

For countries such as Turkey the problem of the non-capitalist way is an extremely complex one, calling for a thorough and all-round analysis. In this article we would like to give only the general outline of the subject and discuss the urgent problems of modern Turkey from the standpoint of the perspective of non-capitalist development.

THE AGRARIAN QUESTION

Agriculture is the main occupation in Turkey, employing over three-quarters of the total labor force and accounting for over half the national income and 75-80 per cent of the country's exports. But, despite the significance of agriculture for the economy, its level remains very low. Tens of thousands of hectares of cultivable land lie idle. The cultivated area is slightly in excess of 23 million hectares. Over 60 per cent of this land is farmed by big landowners. Until recently 76,000 landowners (2.6 per cent of the total) possessed 44 per cent of all arable land. At the same time 773,000 poor peasant families (30.6 per cent of the total of peasant families) owned a mere 836,000 hectares. A large part of the peasantry — 489,000 families—are landless rural proletarians. Most of them comprise the reserve army of the working class and serve as the principal source of replenishment for the urban working class.

Successive bourgeois governments since the national-liberation, anti-imperialist revolution of 1919-23 failed to abolish the survivals of the feudal and semi-feudal land relations in the countryside.

The bourgeoisie, closely linked with the feudal beys and landlords, has invariably resisted the attempts by the peasants to win their economic demands and has resisted agrarian reform. For years it refused even to recognize the existence of the agrarian problem and the class struggle going on in the countryside. For example, the program of the People's Republican Party contained the following definition of the Turkish people: "By the Turkish people we understand not a community of different classes but a single entity. Small landowners, handicraftsmen, workers, professionals, industrialists, big landowners, contractors, small and big traders are the principal worker groups of

Turkish society. The labor of each is essential to the life and well-being of the other groups and to society as a whole . . ." In this way the bourgeoisie sought to blunt the class consciousness of the working people and to suppress the class struggle sapping bourgeois society.

The reluctance of the bourgeoisie to restrict feudal landownership in any way and carry through a land reform has been one of the reasons for the slow development of capitalist relations in agriculture and for the preservation in the countryside of strong survivals of feudal and semi-feudal relations.

The agrarian question is still unresolved. Nothing has been done about land reform which would abolish feudal landownership and give free scope to the development of the productive forces in industry and agriculture. Isolated measures taken by the government in agriculture have not improved the situation in the countryside. In our opinion, a radical solution of the agrarian question, which is of paramount importance for the rapid growth of our economy, calls primarily for the following: abolition of feudal landownership and distribution of the land among landless peasants and those who have not enough land; the setting up of cooperatives and state farms on part of the land confiscated from the feudal beys; normalizing tenure relations in keeping with the interests of the peasants.

The contradictions in the countryside can be resolved only through non-capitalist development providing for a radical land reform and other fundamental socio-economic changes in the interests of the working people.

INDUSTRIALIZATION AND THE STATE SECTOR

The first important steps aimed at building a national industry in Turkey were made soon after the national-liberation bourgeois revolution of 1919-23, the principal aim of which was to turn the semi-feudal, semi-colonial Turkey into an independent national bourgeois state. The progressive aspect of the revolution was that it accomplished this task, thus paving the way to the emergence and development of capitalism. The national bourgeoisie that came to power sought to restrict foreign capitalist interference in economic life, to consolidate its positions and the country's independence by taking recourse to the policy of statism.

Features of statism are Government intervention in economic affairs, on the one hand, and encouragement to private enterprise, on the other. It was born in the conditions of a backward country and a weak bourgeoisie who feared to make big investments in the national industry then in its infancy. Statism was engendered also by the need to build new branches of industry to promote economic development. The national bourgeoisie utilized all sources of national income to set up some of the important branches of national industry. All enterprises of national significance (mines,

railroads, etc.) previously held by foreign capitalists were transferred directly to the state. Large-scale industrial and agricultural enterprises were created by the efforts of the state, with the result that a considerable state sector took shape.

Bourgeois propaganda extols statism as a system which, it claims, brings "prosperity" to the people as a whole. The state-owned enterprises, we are told, have become "public property" and "statism, signifying struggle against capitalism, is veritable state socialism."

In reality, however, statism, which has played an important part in strengthening the national bourgeoisie and in developing capitalism, favors the interests of the bourgeoisie. This was admitted indirectly by Ataturk who said: *"The statism practised by Turkey today was not borrowed from the socialist ideas of the nineteenth century. We maintain that statism must be founded on private initiative and private enterprise. But, bearing in mind all the needs of our great nation and our vast country, the economy must be controlled by the state."*

The bourgeoisie has used statism and the state sector to increase its profits and consolidate its political positions to the detriment of the masses. After the Second World War the interests of the bourgeoisie gradually came into conflict with the policy of statism. Beginning with 1950 voices were heard calling for an end to this policy. The first Menderes government stressed that "state intervention in economic life should be restricted as far as possible and private enterprises expanded to the maximum."

The policy of the Menderes government with its motto "a millionaire in each block of flats" was founded on the principle of gradual abolition of the state sector. To restrict state intervention in economic affairs the big bourgeoisie sought ways and means of establishing contact with foreign capital. In 1951 Parliament enacted a bill on "encouragement to foreign capital." With the aid of U.S. capital the Bank of Industrial Development of Turkey was set up. Somewhat later companies were formed with the participation of foreign and local capital. Thus, the economy was gradually placed under the control of U.S., West German and other monopolies.

Foreign capital, while exerting pressure on the main branches of our economy, aims in conjunction with big local capital, at laying its hands on the state sector with the result that the latter, universally recognized as one of the main gains of the Kemalist revolution, is threatened with liquidation. The present rulers support the private sector on the grounds that the state sector is unprofitable. The process of big private capital fusing with state capital is becoming more and more obvious. The state is coming under the sway of big capital. An example of the fusing of private and state capital is the iron and steel combine in Ereğli, where 51 per cent of the capital belongs to the state and the rest to Turkish and American

companies. But, according to a special law promulgated under the Menderes government, this enterprise is considered private, and the state has no control over it.

On the whole it can be said that statism has played a positive role in the country's economic development. In the 'thirties textile mills were built in Kayseri and Nazilli as well as other industrial enterprises under the first five-year plan. This development made Turkey at the time the most industrialized country in the Middle East. But the industrialization was confined basically to light industry. Heavy industry, which could become the bedrock of industrialization and economic independence, was neglected.

For our country with its population of 30 million and rich sources of raw materials industrialization, especially heavy industry, is essential. This is one of the big problems facing the country. The building of heavy-industry enterprises presupposes all-round development, consolidation and modernization of the state sector. The state sector, in which the main productive forces are concentrated, should not be allowed to become an appendage to the private sector.

From the very beginning the Communist Party supported the state sector and campaigned for its extension and consolidation. The documents and resolutions of the Party have stressed that *the Communists regard the state sector as the most essential factor for strengthening the economic and political independence of the country, and see their task in combating those who seek to discredit the state sector. At the same time they stand for a democratically-run state sector and for changing its capitalist nature.*

The further development of the state sector and a general expansion of our economy depend on a radical change in policy, on deep-going democratic changes. Given this the state sector could be enlarged and acquire a new essence. This would ensure balanced development of the productive forces in the interests of the working people.

FOREIGN CAPITAL

Foreign capital has penetrated into our country in the shape of military, technical and economic "aid," loans and credits, through banks and the foreign-trade system and through foreign state and private investments. Turkey has had to make humiliating concessions. It is still repaying the debt incurred through the Truman Doctrine and Marshall Plan. To this day our country is a sphere of investment for foreign capital. The U.S., West German, British, French, Belgian, Dutch and other foreign companies are vying for monopoly profits. The reactionaries made provisions for various benefits with a view to attracting a steady inflow of foreign capital (witness the special laws adopted at the time of the Menderes government). Special rights were accorded to foreign in-

terests. A law was enforced permitting free export of the profits of foreign capitalists in hard currency. Under pressure of foreign capital the lira was devalued. The U.S. dollar, previously exchanged for 2.80 lira, now has an official exchange rate of nine lira. The result was an automatic threefold increase in Turkey's indebtedness and an accompanying growth of inflation.

To the detriment of the national interests and contrary to Ataturk's slogan "Peace in the World, Peace in the Homeland," Turkey is a member of NATO and CENTO and a pillar of imperialism in the Middle East. Our country, which through its huge debt has been made an appendage to the imperialist war machine, is forced to maintain an army of 500,000, to spend over 40 per cent of the budget for military purposes. Imperialism has used our army, placed under its command, against the national-liberation struggle of the Korean people. At the time of the Suez crisis our country was used as a vantage ground. Turkey served imperialism as a NATO base also during the Cyprus events in 1963.

Our country needs disinterested financial aid, investments and credits which would enable it to develop the productive forces in keeping with our national interests and geographic and economic peculiarities. This would effectively secure economic growth and at the same time make it possible for Turkey to develop mutually advantageous and equal trade with all creditor countries, to obtain good prices for our chromium, tobacco, cotton, leather, angora wool and other products which we are now compelled to sell for a song. Creating a system of balanced foreign trade thanks to this aid, Turkey would be able to reduce the swollen deficit in its foreign trade balance.

Is there such a thing as genuinely disinterested aid in inter-state relations? Yes, there is. The people of Turkey well remember, for example, the generous aid accorded by our neighbor — the Soviet Union — in the difficult days of our struggle for independence in the shape of an interest-free guaranteed credit to the extent of 33 per cent of the total sum envisaged for our first five-year plan (1929-1933). Thanks to this aid the above-mentioned Nazilli and Kayseri textile mills were built, of which Turkish statesmen used to say at one time that "they are lasting monuments to eternal Turkish-Soviet friendship." This was truly fraternal, disinterested aid which in the past secured our political and economic independence. It came to us from the country of the great Lenin, the people of which were the first to abolish capitalism and the exploitation of man by man and build socialism, the country which opened the road to national-liberation and socialist revolutions.

A few years ago a caustic soda works and a big glass factory were built and put into commission in Turkey, again with aid from the Soviet Union.

And had not Turkey joined the imperialist

blocs and pacts after the Second World War and violated the good-neighborly relations between the two countries, who knows how many more plants would have been built in our country.

Would it not have been possible to build in Turkey a hydro-electric project like the Aswan High Dam or the enterprises built with Soviet aid in the UAR, Iraq, Algeria, Syria, India, Burma, Indonesia and other newly-free countries?

Valuable aid and credits could be extended by the German Democratic Republic, Czechoslovakia, Poland, Rumania, Bulgaria and other socialist countries.

The national interests of Turkey require that the country's economy be freed from the fetters of foreign monopoly capital, that a policy of neutrality be pursued and mutually advantageous and equal economic cooperation established with all countries.

THE WORKING CLASS AND THE NATIONAL-DEMOCRATIC FRONT

Recent years have seen the rise of the working-class movement — the most striking feature in present-day Turkey. There are now in the country roughly 2.5 million workers, of whom over 700,000 are organized in trade unions. In the fight for their social, economic and political rights, they are not intimidated either by pressure, police brutality or provocations. Mass strikes, meetings and demonstrations are a common occurrence. A reflection of the changes that have taken place in the working-class movement is the formation of the first legal Labor Party which has openly proclaimed its aim of rallying the working masses (including the peasants) for the country's regeneration, which should take the road of democratization of the machinery of state, carrying through an agrarian reform, and the way of non-capitalist development.

The bourgeoisie is trying might and main to split the working-class movement and infect it with alien, bourgeois ideology. Many of the trade unions, totalling 700,000 members, are affiliated to the Trade Union Confederation. The top council of this body follows the line of the bourgeois parties and of the chiefs of the U.S. trade unions and the International Confederation of Free Trade Unions. In 1964 when workers downed tools in many parts of the country and preparations were made for more strikes, the council resolved not to call further strikes and to discontinue those already under way until a solution had been found to the Cyprus crisis. Contrary to this decision, the strikes continued, even at the height of the crisis, and the council had to cancel its decision.

One of the conditions for a basic change in policy and for the country's transition to the path of democratic revolutionary reforms is the unity of all forces in the national-democratic front and the replacement of the reactionary Urguplu-Demirel government by a national-democratic government.

Is a national-democratic front possible today, and are the progressive forces strong enough to implement the basic demands of the front and take the country on to the non-capitalist way? Turkish Communists answer this question in the affirmative. In doing so they proceed not only from the fact of the activation and growth of the working-class — the most militant and revolutionary force counterposed to the reactionaries, monopolies and imperialism — but also from an analysis of the main antagonisms among the bourgeoisie.

As capitalism develops gradual concentration of production and capital is taking place, and associations of big business — peculiar types of Turkish monopolies — are coming into being. An example is the Business Bank which shares in 35 big enterprises and companies, controls four insurance companies, has two subsidiaries abroad — in Alexandria and Nicosia — and an agency in West Germany. Men of big capital, as Koc, Selek, Avunduk, Burlar, Danic, Koper, Benli and Demidel (chairman of the "Justice Party") are a minority arrogating to themselves 38 per cent of our national income and who, along with foreign-monopoly capital, aim at getting control of the main branches of the economy. In order further to consolidate their class positions, they make deals with U.S. imperialism. It was they who sent our soldiers to die in Korea, who gave the order "shoot to kill" the students in April 1960 and miners in Zonguldak in March 1965. It was they who enmeshed our country in the imperialist NATO and CENTO blocs.

The big bourgeoisie brutally exploits the working people and simultaneously infringes the interests of the small and middle bourgeoisie. Today one can speak with every justification about the existence in our country of acute contradictions between the big bourgeoisie associated with foreign monopoly capital and large sections of the small and middle national bourgeoisie. The former, opposed to any regeneration and to any reforms, will never accept the demands of the national-democratic forces. Hence the task of the latter is to expose the reactionary, imperialist character of this bourgeoisie and wage a fight against it.

The numerous sections of the small national bourgeoisie, unable to withstand competition from the big bourgeoisie and foreign monopolies, can join the national-democratic front. The threat of being crushed by big monopoly and imperialism makes them support the demands for reforms and social justice. That is why, despite their inherent duality, vacillations and inconsistency, the small and middle national bourgeoisie can become an active force of the national-democratic front and an ally of the proletariat and all working people in their struggle against imperialism and the big bourgeoisie.

The patriotic wing of the small and middle national bourgeoisie, and especially progressive intellectuals, students and patriotic army officers, are an active political force. Many of these

act in defense of national independence, for democratic reforms and social regeneration. The struggle for reforms, especially for agrarian reform, creates real conditions for building an alliance of the working class and the peasantry in the national-democratic front.

The peasants are an important potential force of the national movement. True, the peasant movement is still feeble, but it is getting under way. In 1963 a demonstration of landless peasants and farm laborers took place in Adana, and early in 1964 a meeting of peasants in support of land reform was held in the vicinity of the town of Siverek. Discontent is growing in the principal tobacco-growing regions (evident, for example, in the demonstrations and meetings held in Akhisar and Adiyaman in February and March). The peasants in these areas called for nationalization of the tobacco trade and for a better price for their tobacco.

Thus, preconditions exist for building a united anti-imperialist, anti-feudal front the core of which must consist of the working class, the peasantry and the middle sections of town and countryside, primarily the forward-looking intellectuals. It can be said that the front is already taking shape "from below" on the initiative of the working people and above all on the initiative of the industrial workers, students and intellectuals. Manifestation of this were the mass actions in defense of the Zonguldak miners who struck work last March to protest against their arduous conditions. Government reprisals against the workers caused outbursts of indignation all over the country.

It was not only the working-class parties and

trade unions which came out in defense of the workers but also organizations of professional workers, including student unions belonging to the National Student Federation and some student unions in Istanbul. Even before the strike in Zonguldak a declaration issued by the Student Federation called on all progressives to close their ranks. However, along with the unity trend among the progressive forces notice should also be taken of the fact that many of them are still dispersed in various parties and trends.

Calling for a united national-democratic front, the Communist Party — the vanguard of the working class — proceeds on the ground that its structure should not be based on the principles of domination by any one class or obligatory leadership by any one part. The front should unite all the patriotic forces, including the national bourgeoisie, working to get rid of imperialist oppression and the subordination to monopoly capital, all who stand for Turkey's independent development.

Despite the illegal conditions and the anti-communism instigated by imperialism and the reactionaries, the Communist Party is searching for and finding the ways and means for carrying on its work. It is extending its activity and its prestige is rising. The slogan of a united national-democratic front advanced by the Party as the task of the day helps to build the unity of the progressive, patriotic forces of the Turkish people in the struggle against imperialism and reaction, for complete national liberation, and for far-reaching socio-economic reforms.

IRAN:

Present situation and perspective

I. ESKANDARI

DEVELOPMENTS IN IRAN in recent years have created the impression, particularly abroad, that the government has embarked on a progressive policy. Among these developments are, notably, an agrarian reform and better relations with the Soviet Union; other measures have also been adopted such as granting political rights to women, nationalization

of the forests, a so-called profit-sharing with workers, using educated conscripts to help abolish illiteracy in the countryside, promulgation of a law on agricultural cooperatives and the transfer of state-owned factories to private ownership. These measures, although not all of the same importance are, as an analysis of the situation in the country shows,

designed to bolster the despotic regime. They were prompted by the sharp social contradictions brought to a head by the further worsening of the already bad conditions of the masses, by their actions against the government.

I

THE CHARACTER OF THE REFORMS.

These economic and social measures are intended to accelerate the development of capitalist relations, which, in the conditions of a semi-feudal society, is proceeding slowly. This is to be done, first, through the gradual implementation of the agrarian reform which is to replace the system of feudal bondage by capitalist exploitation; secondly, by encouraging foreign investment by way of granting the imperialist monopolies various privileges; thirdly, by encouraging Iranian private investment in the economy, and, fourthly, by encouraging the establishment of small and medium-sized enterprises.

From the *economic standpoint* the reforms are intended to accelerate the accumulation of capital as an indispensable condition for capitalist production. This aim is to be achieved by turning feudal ownership of the land into capitalist ownership, and by gradually expropriating the small and middle peasants in the interests of the big landowners and the rural bourgeoisie.

Agrarian reform is calculated to help expand the home market since both farm production and the rural population will be brought within the orbit of capitalist exchange. The discrepancy between the two irreconcilable economic sectors in the country would thus disappear — between the semi-feudal and the capitalist sector. This should clear the way for capitalism which is to extend to the entire national economy. The establishment of new enterprises both in town and countryside with the participation of "mixed" capital (Iranian and foreign) is designed, on the one hand, gradually to absorb the ruined peasants and, on the other, meet the demands of the expanding home market.

From the *social standpoint* the purpose of the reforms is to safeguard the interests of the big landowners, to encourage them to develop along capitalist lines.

Amendments to the agrarian reform law, promulgated in 1964, give the big landowners substantial guarantees with regard to land rent and payment for land sold and also as regards the management of their land. The law particularly protects those landowners and capitalists who are prepared to invest in agri-

culture, as well as those who invest in industry or in running enterprises belonging to the state.

One result of the new law is that the process of class differentiation in the countryside has intensified. Peasants, a potential large army of cheap labor, are being ruined; this creates favorable conditions for capitalist development. On the other hand, the rich farmers are entrenching themselves.

The government measures benefit that section of the bourgeoisie whose interests coincide in one way or another with those of imperialism.

From the *political standpoint* it is hoped that the reforms would hold back the national liberation movement and strengthen, as far as this is possible, the existing regime. This is being done in all kinds of ways. Regimes like that in Iran realize that they cannot exist for long by relying solely on terror and on a none too reliable military machine, that in order to be able to cling to power they need a social base in the shape of a bourgeoisie in town and countryside.

The formation of specialized military corps (the so-called education, hygiene and development armies) to help abolish illiteracy and disease in the countryside and the appointment of men who have served in these special units as village mayors (they are given land and economic and technical assistance) is also part of the plan to militarize rural life and create a counter-revolutionary stratum in the rural areas.

The dual political objectives of the reforms — to bolster the regime and bar the way to a revolutionary movement — dovetail in all respects with the interests of the American and British imperialists who want to maintain their grip on Iranian oil and to continue to influence the economic, political and military life of the country. The Shah's reforms have been evaluated differently by progressives both in Iran and abroad.

The fact that the regime has decided to introduce reforms while remaining pro-imperialist and anti-democratic, inclines some to take a skeptical view of the reforms and even to discount them, while others, on the contrary, tend to exaggerate their importance and, consequently, erroneously conclude that the government has turned to democracy.

To the adherents of the first viewpoint the reforms are a political swindle, sheer demagoguery. This approach is wrong not only in theory but also in practice for it could lead to sectarianism in the party of the working class, which would isolate it from the masses.

While it is true that the ruling classes and

imperialism essentially pursue a policy corresponding to their class interests, it is equally true that this class policy undergoes changes as the class struggle develops both in the country and on a world scale. "If the tactics of the bourgeoisie were always uniform, or at least of the same kind," Lenin wrote in 1910, "the working class would rapidly learn to reply to them by tactics just as uniform or of the same kind. But, as a matter of fact, in every country the bourgeoisie inevitably devises two systems of rule, two methods of fighting for its interests and of maintaining its domination, and these methods at times succeed each other and at times are interwoven in various combinations. The first of these is the method of force, the method which rejects all concessions to the labor movement, the method of supporting all the old and obsolete institutions, the method of irreconcilably rejecting reforms . . . The second is the method of 'liberalism', of steps towards the development of political rights, towards reforms, concessions, and so forth."*

To refuse to see this objective reality is to refuse to recognize the effectiveness of the day-by-day struggle of the masses in the economic and political spheres, to deny the possibility of retreat, concessions and maneuvers on the part of the ruling classes. How, for example, can we ignore the fact that in the past three years in some 10,000 villages land has been distributed among 339,307 peasant households, totalling 1,696,000 people? To do so would not only be ignoring the facts but isolating ourselves from the peasants who have been given this land. Can we, for that matter, deny the objectively positive character of the political rights granted to women, although it is true that at present even adult males are for all practical purposes deprived of the possibility of exercising their civic rights? As to the imperialists, they too are compelled to modify their policy and tactics, especially in our time when a powerful socialist camp exists, when the colonial system is nearing its end and the struggle against imperialism on a world scale is gaining ground.

No less erroneous and harmful is the second point of view the adherents of which, by overestimating the positive aspect of the reforms and overlooking the objectives pursued by the ruling classes and imperialism, consequently forget about the economic and political conditions in which these reforms are carried out and delude the masses and in the first place, the peasantry. Objectively this plays into the hands of the reactionaries who abuse the confidence of the peasants, seek to

weaken the struggle for a truly democratic agrarian reform and the free distribution of land. Essentially, this is an opportunist attitude which leads to rejection of the class struggle and turns the policy of the working class and its party into a mere appendage to government policy.

The People's Party (Tudeh) rejects both viewpoints. Basing itself on an analysis of Iranian society and developments in the country, it holds that the reforms are, in the aggregate, objectively positive features since they help to weaken the foundation of pre-capitalist production relations. While exposing the real designs of the reactionaries and imperialists and the limited character of the reforms, our Party at the same time calls on the masses to unite in order to make the most of the advantages arising from reaction's tactical retreat. It calls on them to press the government to make more concessions but not to lose sight of the ultimate goal of the revolutionary movement — the establishment of a national-democratic government which will fundamentally change the economic and social structure of society to the detriment of imperialism and reaction and in favor of the people.

These considerations pose another question connected with the reforms which, as noted earlier, have as their objective the development of capitalism in all sectors of the economy, namely does the capitalist way correspond with the aspirations of the people for economic and social progress?

This question has been put to the public. It is being widely discussed in the press by supporters of different variants of the capitalist way and also by some political leaders, which shows that even in the ruling circles opinions differ on this score.

While all agree that the present situation in the country, characterized by a backward economy, considerable unemployment, slow development and an extremely low standard of living, calls for criticism, opinions differ as to the ways of solving the problem.

Among the advocates of the capitalist way some favor economic liberalism, while others prefer state regulation in its various forms. But in both cases they proceed from a superficial knowledge of the mechanism of the country's economy, fail to analyze the root causes of the present situation. They leave out of account in their study of the economic phenomena in Iranian society the fact that the natural wealth is dominated by the imperialist monopolies, that the country is dependent on industrial-plant deliveries, that its foreign trade is subordinate to the capi-

*Lenin. Differences in the European Labor Movement.

talist world market and that a semi-feudal economy still exists.

A similar attitude, at least as regards imperialist monopoly domination, is adopted by the spokesmen of "democratic socialism," of which H. Arsandjani, former Minister of Agriculture, has proclaimed himself a champion. He is critical of economic liberalism and advocates instead an intermediate system between capitalism and communism, which, he declares, "by drawing on the experience of the one and the other, attains the proper balance and accords with human sentiment and social justice."

As a result of the spread of Marxism, the growing influence of socialism throughout the world and the fact that some of the newly-independent countries have taken the non-capitalist way, the idea that it is possible to embark on a path of development other than the one proposed by the advocates of capitalism has gained wide currency, especially among the nationalist groups. Although no clear-cut and definite stand has been taken on this issue as yet, elements of this new concept occur in the documents and underground press of various political groups, and are discussed in student circles and among the progressive intelligentsia. The resolution of the second congress of the National Front, held abroad in 1963, and which took a pro-Mossadegh stand, besides stressing the need to fight against imperialism and feudalism, spoke of the Front's "opposition to all forms of exploitation of man by man" and proclaimed "the need to nationalize the basic means of production and to fight against big capital associated with imperialism."

II

IS THE NON-CAPITALIST PATH SUITABLE FOR IRAN? The advocacy by the Tudeh party during the past four years of the non-capitalist way for Iran is explained not only by its opposition to capitalist exploitation and its socialist principles and aims. It is guided in this also by the socio-economic requirements of the day.

True, capitalism has not exhausted its possibilities in under-developed countries like Iran. It can in the transitional period, when the semi-feudal sector is being abolished, ensure a certain development of the productive forces. But what is needed is not just development stemming from normal growth of the productive forces; ways and means should be found to accelerate technological progress and thereby ensure the rapid development of the national economy which in turn would make it possible gradually to do away with the

century-and-a-half-old backwardness of the country compared with the economically-developed countries.

In a country like Iran where the national income, according to official data, totals \$3,700 million (\$185 per capita), where more than 55 per cent of the families are unable to make ends meet, where 15 per cent of the population lacks the means of livelihood, where 5 per cent of the population pockets almost half the national income, and where, lastly, 67 per cent of the rural population have an annual "income" of \$46 per capita — such a country cannot allow itself the luxury of waiting for projects that will double the national income by the beginning of the next century.

Thus, it is first and foremost a question of the rate of development. According to official estimates, the average annual rate of growth in the past ten years (1954-64) was six per cent for industry and three per cent for agriculture. However, according to a recent study published in the February issue of the semi-official organ *Ettelaat*, the average annual rate of development for the entire economy was only two per cent.

Even assuming that the growth will be maintained at six per cent and capital investments will correspond to the government plan (approximately \$800 million a year), even then the national income per capita will be not more than \$350-370 by 1987-1990. The Shah admitted as much in a speech, when he said that it will take thirty years to complete the plan, and that even then, "we shall still not have reached the level of the developed countries."

But accelerated growth presupposes a technological base. And that is what Iran lacks. To break out of this vicious circle, two things are needed: the imperialist stranglehold must be ended and the semi-feudal sector in agriculture abolished.

As we see, for countries like Iran the question of what way to take is more than a socio-economic matter; it is a vital political question.

It is likewise evident that any development plan, any plan for industrialization that fails to take this into account will not measure up to the vital requirements of the country. Most of the bourgeois economists who have studied the problems of industrialization in underdeveloped countries concern themselves with the purely economic aspect to the exclusion of the political aspect. Hence the tendency on their part to accentuate the "dangers" of rapid industrialization and the internal difficulties operating against it.

Of course, the internal difficulties must be overcome before a rational plan can be put into effect. But in countries like Iran the biggest obstacle is the imperialist stranglehold. Bourgeois economists, however, prefer to ignore this. For them the obstacles are not imperialism but the specific and natural conditions obtaining in the particular countries. This is the view of H. Singer, S. Kuznets, W. Rostow and other spokesmen for neo-colonialism.

The conversion of Iran into a raw materials base for the industries of the imperialist countries, especially the United States and Britain, into a market for their manufacturers and also into a sphere of investment, is the main obstacle to the economic progress of Iran. The figures tell the story.

According to official data, from 1955 to 1963 Iran spent \$3,584 million on imports, while its exports brought in only \$810.2 million. The deficit was partly covered by the lease payments from the oil companies (\$1,857 million) and by the receipts (\$556.1 million) from sales to these companies of state-owned oil. To meet the deficit, the government borrowed \$718 million from the United States (in addition to the \$258.4 million received as "aid").

The consequences of the imperialist stranglehold may be gathered from the fact that an iron and steel plant with an annual capacity of 500,000 tons could have been built at a cost of \$200 million, and a plant for tractors and other farm machinery at a cost of \$350 million.

In the light of these facts we see how closely the problem of economic development is linked with the political problem of national independence. True, formally Iran has always been an independent country, it has never been a colony of another power. Its entry, however, into the world capitalist orbit round about the middle of the 19th century and the subsequent imperialist grip on its natural resources and on the entire economy have turned Iran into a semi-colony, i.e., into an economically and politically dependent country. Hence the revolutionary actions of the people beginning with the close of the 19th century aimed at ending the foreign domination and the imperialist dependence.

The imperialists realize, however, that if they are to retain their economic and political grip on countries like Iran they must keep them within the capitalist world orbit.

This explains why ever since the end of the war the imperialists have focused attention in their neo-colonial policy on promoting capitalist production relations in the countries

which have liberated themselves from colonialism. This is the underlying idea of all the so-called economic aid to these countries. Emphasis on the capitalist way is designed also to prevent the peoples of these countries from waging an effective struggle against imperialist economic penetration.

Imposition of the capitalist way on the newly-liberated countries pursues a twofold aim. On the one hand the respective country's economy is directed along lines that suit the interests of the imperialists and, on the other, its economic development and capital accumulation are hampered as a result of the systematic plunder of the natural resources under the terms of unequal economic agreements and control over the home market, of the siphoning out of the country of vast sums in the form of interest on exported capital, etc.

The Anglo-American imperialists are doing everything possible to prevent the country's industrial progress and continue to exploit the people and the natural wealth of Iran, and in the first place its vast oil resources. They realize that industrialization means that in one way or another the country must draw on its natural resources to meet its own industrial requirements; that the consequent rise in the standard of living would mean less profits for the foreign monopolies. Hence their resistance to the changes that industrialization can bring in the structure of economic relations between the developed and underdeveloped countries.

In our country this imperialist policy is manifested in different ways: by a refusal to sell or limit the sale of machinery, industrial and other equipment, competition with the home market, commercial and financial pressure and, lastly, pressure through the foreign technical advisers who underplay the need for a national heavy industry.

Hence the numerous "scientific works" by bourgeois economists on "historical sequence" according to which agriculture in countries like Iran should naturally precede light industry and the latter, heavy industry. Hence also the Iranian government's economic policy of developing the small and medium industries producing consumer goods.

In conditions of imperialist domination it is impossible to abolish the semi-feudal system let alone develop capitalist production relations in the usual manner and independently. If Iran is to achieve genuine socio-economic progress it will have to take another path, that of overcoming the imperialist and feudal barriers thereby laying the foundations for a strong, sound and independent national economy.

Given an economic system of this kind a strong state sector, based principally on the nationalized key industries, the banks and foreign companies, transport and foreign trade, would be a powerful driving force accelerating the development of technology and a rise in the standard of living.

Deep-going democratic reforms in agriculture and in other spheres of socio-economic life, in the administration and in other fields would release the initiative of the masses to the advantage of the country's harmonious development.

But this brings us to another question. How do the Iranian people hope to achieve this goal? Should the people repose their trust in the present government in the hope that eventually it will take the country along this way? Or should they take the destiny of the country into their own hands, overthrow the government and replace it with a government capable of carrying out this plan? Our Party's answer is clear: *this task necessitates another government, a national-democratic government based on an alliance of the national, democratic and progressive forces.*

Needless to say, if the present government were at least to observe the principles of bourgeois democracy, ensure the rights stipulated by the Constitution, such as the right of assembly, freedom of the press, and the right to submit petitions and hold demonstrations, if the arbitrary police rule were replaced by law, the people would undoubtedly have preferred to solve their problems the peaceful way.

But these rights are non-existent in present-day Iran. Our party and even the parties and organizations of the national bourgeoisie as well as mass organizations without any political affiliation, are not allowed to function legally. Some two years ago people marching in peaceful demonstrations were shot down on the streets of Teheran, Tabriz, Qom, Mashhad, Shiraz and Isfahan because they dared to express their discontent with the despotic rule of the Shah and his government. Several months ago when the people protested against the promulgation of a law granting diplomatic and economic immunity to American experts and allowing the government to accept another U.S. loan of \$200 million for the purchase of arms in the United States, the government deported the Iranian religious leader Ayatollah Khomeini for publicly condemning the government's anti-national policy and the imperialist policy of the United States.

Thus the government by its violence and anti-democratic actions is ruling out any possibility of a peaceful solution to the problems

facing the country. And so the idea is gaining ground among progressive organizations that forcible means will be needed to set up a national-democratic government. This is the viewpoint in particular of some organizations of the national and petty bourgeoisie, as well as of student organizations and a section of the clergy.

A recent meeting of the Central Committee of the Tudeh party, while recognizing that as things are the non-peaceful, revolutionary path was the only way out of the situation, did not exclude the possibility of a non-violent revolution. "The experience of the recent history of our country," states the thesis adopted by the meeting, "the rise to power of Mossadegh and the fall of the Ghavam government* have shown that in certain conditions, and given a change in the balance of forces, the peaceful way is possible. Our Party, therefore, while taking into account both possibilities, holds that as things are today, the non-peaceful way is the likely way."

The Central Committee meeting rejected the view of those who maintain that the non-peaceful way dispenses with the need for organizational work by the Party. "A disciplined and efficient organization," it said, "is the first requirement of any struggle. Without such an organization a party loses the possibility of maneuvering, of using different methods of struggle, both legal and illegal, peaceful and non-peaceful." The meeting also rejected the idea that, with the adoption of the non-peaceful way, the party should give up its usual forms of struggle, such as the fight for socio-economic concessions, for an amnesty for political prisoners, for democratic rights, economic demands, and for an alliance of all national and democratic forces. It also rejected the erroneous view that with the adoption of the non-peaceful way it is no longer necessary to work for the unity of all national and democratic forces since revolutionary action as such will suffice to win over all forces to the side of the party.

"Work to establish a united front of all forces," states the report made to the meeting, "far from being incompatible with revolutionary action, is, on the contrary, essential for this action. Irrespective of what way is followed, the building of a united front remains the general line of the Party, and all efforts must be directed towards this end."

The events of the past two years in the

*Reference is to the July 1952 events when the pro-American government of Ghavam, ordered by the Shah to replace that of Dr. Mossadegh, was overthrown three days later as a result of popular demonstrations led by the Tudeh party together with Mossadegh's party, in the course of which the soldiers refused to fire on the marchers.

country show that revolutionary problems are being brought to the notice of ever bigger sections of the population and are being closely linked with the question of an alliance of all revolutionary forces.

Men like Dr. Mossadegh, Dr. Chiagan and the prelate Khomeini have publicly expressed themselves in favor of an alliance of all political groups and parties based on national independence and democratic liberties. This shows that our efforts to popularize the idea of an alliance of all progressive forces have borne fruit, and that the united front slogan has gained ground.

However, the united front idea is still encountering strong resistance among the nationalist groups. The difficult conditions of illegality in which our Party is forced to work often hamper the establishment of contacts and the holding of discussions which could promote better understanding between our Party and the other organizations.

III

ANOTHER FACTOR contributing to the impression that the Iranian government had changed its policy was the improvement in relations with the USSR.

Some months after the publication of the agrarian reform law in August 1962, the government stated in a Note to the USSR that it would not permit foreign missile bases on its territory, and the Minister of Foreign Affairs officially announced that Iranian territory would never be used as a base for aggression against the USSR.

This shift in policy, which evoked a favorable response from the Soviet Government, put an end to the long crisis in the relations between the two neighboring countries. It was prompted by the changes in the international situation and by certain internal factors. The Iranian government whose foreign policy was attuned from the inception of the present regime to the policy of the imperialist powers, particularly the United States, could not fail to see the change in the world balance of forces in favor of socialism and the relaxation of international tensions.

Parroting the "communist danger" cry of the Western imperialists, and ignoring the goodwill of the Soviet government (settlement of border issues, financial matters, agreements on the use of border waters, various proposals for technical aid, expansion of trade, etc.,) the Iranian government aligned itself with the cold war and with the aggressive policy of military blocs which found expression in Iran's decision to join CENTO.

Gradually, however, the situation changed. The cold war began to lose ground, the untenability of the imperialist propaganda about "Soviet aggression" became increasingly obvious. Added to this, the progress of Soviet science and technology sapped the very foundation of imperialism's military strategy and tactics. The policy of military blocs and bases began to lose prestige. CENTO, the weakest link in this policy, found itself in the grip of a crisis caused by internal and external factors.

On the home front the government's anti-Soviet policy caused discontent among the people, who had to bear the brunt of the economic consequences of its anti-national policy. Faced with the economic and political crisis which the government sought to offset with reforms, and also owing to the aforementioned factors, the Shah and his cabinet decided to alter their policy.

But there has been no fundamental change in foreign policy. Iran is still a member of CENTO and a signatory to the bilateral military treaty with the United States. The government still takes its cue from Washington.

The Tudeh party, true to its internationalist duty and patriotic principles, regards the improvement in relations between Iran and its neighbor, the Soviet Union, irrespective of the subjective reasons that prompted the Iranian government to take this step, to be a positive factor, in keeping with the interests of our country and the people, the interests of a detente and of world peace.

One of the immutable principles of the Tudeh party ever since its foundation has been friendly relations between Iran and the socialist countries, particularly with the USSR, the first socialist country in the world, which in the famous decree signed by Lenin repudiated the shackling agreements and treaties imposed on our country, and supported the struggle of our people for freedom and independence.

We treasure this friendship not only because we are Communists. Being patriots and democrats we believe that the vital interests of the people, the interests of the struggle they are waging for national liberation, democracy and social progress, and also the interests of the country's economic development call for fraternal friendship and a firm alliance with the Soviet people and their Government.

While it is true that the imperialists, and first and foremost the imperialists of the United States and Britain, are the mortal enemies of our freedom and independence, Iranian patriots and democrats, irrespective of their political convictions, should know that the socialist countries, first of all the Soviet

Union, are our true friends and allies, for they are waging a struggle against imperialism on an international scale and support the national-liberation movement of all oppressed peoples. But this patriotic policy of the Tudeh party is evidently not fully understood as yet by all progressive and democratic forces in the country.

Some of the national bourgeoisie and petty bourgeoisie, although they side with the popular forces against imperialism and the monarchy, are still influenced by anti-Communism. The improvement in relations between Iran and the USSR was used as a pretext for new attacks against our party. The normalization of relations between the two countries caused disputes among the intelligentsia and student youth, and these had repercussions in the ranks of our Party too.

The Tudeh party is accused of pursuing a contradictory policy because, on the one hand, it calls on the national and democratic forces to unite in a common front of struggle against imperialism and the autocracy and, on the other, supports the improvement in relations between the autocracy and the Soviet Union. In the opinion of the adherents of this viewpoint friendly, good-neighbor relations between the two present governments would be fatal for the revolutionary movement because, they allege, this would strengthen the pro-imperialists and autocratic regime now rent by countless contradictions.

Some people repeat the allegation that the Soviet Union and the United States have concluded a so-called agreement and compromise on a world scale to the detriment of the liberation movement of the peoples. This is the argument used to account, on the one hand, for the improvement in the relations between the Soviet Union and the Iranian government and, on the other, for the policy of the Tudeh party which is accused of obediently carrying out "orders from Moscow." Juggling with this kind of argument some even invoke socialist ideas and on this basis draw the conclusion that there can be no question of entering into an agreement with the Tudeh party leadership for a united front.

These absurd arguments ignore any possibility of a change in the tactics of the reactionaries, and see government policy as something absolute and immutable. The struggle now taking place between the forces of progress and the forces of imperialism and reaction, the sharp changes that are dictated by objective conditions cannot but affect the policy and tactics of reactionary governments, and the latter, in order to retain power, are compelled to alter their tactics, to retreat if

need be, to make concessions and to compromise. Not to see this is to manifest a doctrinaire, sectarian attitude which can only injure the revolutionary movement.

Our Party's uncompromising opposition to the anti-national and anti-democratic regime in the country does not necessarily mean that it rejects out of hand every measure which the government is compelled to take because of the objective development of internal conditions, the changes in the international scene and the contradictions existing between the imperialist powers themselves.

The government, for instance, signed the Moscow partial test-ban treaty. Does this mean that Iranian revolutionaries should oppose the Moscow Treaty simply because it was signed by a reactionary government? Of course not.

Another example. For long we have been campaigning for the government to recognize People's China and to tell the Chiang Kai-shek representative to depart; we have been calling on it to recognize the GDR. And if the government eventually does so, does this mean that we should oppose such a step? This would be absurd to say the least.

But our support of the government's objectively positive measures by no means signifies relinquishing the struggle for the overthrow of the autocratic regime. If we were to submit to the verbal subterfuge according to which an improvement in relations between Iran and the Soviet Union can only prejudice the revolutionary movement, we would arrive at the absurd conclusion that the Iranian revolutionaries, instead of calling for closer contacts with the socialist countries should, on the contrary, demand the disruption of such relations and even of all diplomatic and economic relations between these countries and Iran.

In practice this would mean giving the imperialists freedom of action, would mean playing into their hands and supporting their efforts to isolate the Iranian people from the socialist countries. Not to see this is not to understand that the fact that relations have been established with the socialist countries, and first of all with the Soviet Union, Iran's nearest neighbor, helps to weaken imperialism's influence in our country and consequently makes it more difficult for it to realize its designs.

Those who claim that the improvement in relations between our countries helps to stabilize the regime do not realize that the present instability of the government and its predicament cannot be explained by an improvement or worsening of its international relations. On the contrary, at bedrock of this instability

and of the economic crisis is the pro-imperialist and anti-democratic nature of the regime itself. It is the government's reactionary policy that is preventing it from benefiting from the advantage of being neighbors with the Soviet Union.

It is as clear as daylight that economic cooperation with the Soviet Union and other socialist countries, based on a national policy in keeping with the interests of the country and the people, would signify the end of the concealed structural crisis and would be a big help to the socio-economic development of Iran. However, this is not the case at present.

Does it follow from this that we should forego the economic advantages which the better relations with the Soviet Union give our country on the grounds that these will help the regime to overcome its difficulties? This kind of argument is tantamount to speculating on the misery of the people. Real revolutionaries cannot base their strategy and tactics on this sort of thing.

If we were to base our activity on this kind of logic we would find ourselves defending corruption, immorality, thieving and bribery because these "will help the revolution." The absurdity of this kind of reasoning is obvious. It can only lead to the isolation of those who preach it, can only discredit them in the eyes of the masses.

These discussions had repercussions also in our Party. Although the policy of the Party had the support of the overwhelming majority of the membership on this issue, we had, nevertheless, to contend with some contrary opinions. Thus, while some comrades believed that the improvement in relations between the USSR and Iran would prejudice the revolutionary movement, others, on the contrary, criticized the Party leadership for not being in their view sufficiently consistent, for not coming out more emphatically in support of the rapprochement with the USSR and linking

this up with internal problems and, specifically, with the nature of the reforms. In short, they regarded the leadership's attitude as being sectarian, inconsistent and contradictory.

Both tendencies — the Left and the Right — have one feature in common: both confuse the policy of peaceful coexistence with the class struggle in the respective country, and both, in the final analysis, underestimate the leading role of the masses in the revolution and overestimate external factors. The Left tendency makes peaceful coexistence dependent on the class struggle waged in each country, for its adherents persist in the erroneous concept that better relations between our countries is detrimental to the revolutionary movement; they thus overestimate the role of external factors in the revolution. The Right tendency, on the contrary, makes the class struggle in the respective country dependent on peaceful coexistence with the socialist countries and, consequently, makes the Party's policy dependent on changes in the international arena. The logical outcome of this concept would be that the party of the working class would be a passive factor, waiting to see how world events develop before deciding on its own policy. This attitude is at variance with the principle of the independence of each party, clearly formulated in the Statement of the 1960 Meeting of representatives of the Communist and Workers' parties.

* * *

Many complex problems face Iran in the solution of which all the democratic and progressive forces are deeply interested. What way the development will take is of vital concern to all sections of the population.

Our Party is working for a united front of all patriotic organizations to help solve the political and economic problems facing the country.

And we are confident that the people will find a way out of the present crisis and achieve national revival and social progress.

IRAQ:

For a peaceful solution of the Kurdish question

SALAH AHMED

THE ATMOSPHERE IN the Middle East today is one of plots and intrigues by the imperialists, which have as their prime aim to deprive the peoples of this area of the gains won in a long and bitter struggle against imperialist domination.

The intrigues and maneuvers take the most diverse forms—economic pressure, threats to stop economic aid, interference in the internal affairs of the countries concerned, stirring up internal conflicts, undermining national unity and landing troops.

One of the basic elements in the imperialists' plans to restore their domination in the Middle East is the renewal of the war against the Kurds in Iraq. By kindling another military conflict between the Arabs and the Kurds, imperialist circles also hope to undermine the solidarity between the Arab countries in their fight against imperialism.

Democrats in Iraq, the Arab East and throughout the world welcomed the cease-fire agreement concluded on February 10, 1964 between the Iraqi government and the Kurd nationalists. It was only natural to expect that after this step measures would be taken to remove the reasons that had compelled the Kurds to take to arms, that at last their national rights would be recognized and their status in the Iraqi republic settled, thus resolving the Kurdish question on the basis of justice, equality and respect for the interests of the Iraqi people—Arabs and Kurds alike.

However, despite repeated promises to recognize the national rights of the Kurds, the Iraqi government has to date done nothing in this direction. Most of the points in the agreement have not been honored. Some members of the Iraqi government as a matter of fact are even going so far as to say that there is no Kurd nation and, consequently, no Kurd question.

Iraqi troops have not been withdrawn to their initial position. This is a flagrant violation of the February 10 agreement. The government is continuing to reinforce the unlawfully formed Kurd police force, headed by reactionary tribal chiefs, for operations against the Kurd national movement.

The government has done nothing to help the thousands of Kurd refugees to return to their homesteads in the Kirkuk region which they had to abandon during the Baathist regime. These lands were settled, with the connivance of the government, with tribes whose leaders are associated with the imperialist Iraq Petroleum Company. There are any number of facts showing that the government has promised this company to continue its policy of mass expulsion of the Kurds from the oil-rich Kirkuk region.

The new provisional constitution of Iraq contains no articles recognizing the national existence and rights of the Kurds to national autonomy in Iraq. The Kurds have also been deprived of the right to form their own organizations, the purpose being to isolate them politically. The only organization they will be allowed to join will be the Arab Socialist League, the sole political party having a legal status in the country.

Despite the government's claim that all citizens enjoy equality, the Iraqi Kurds who total 1,800,000, have been denied the right to have their own printed organ in the Kurdish language and are compelled to print their publications illegally. As before, Kurds are being removed from all leading posts, especially in the army and the police. The number of Kurds studying in military and police academies is negligible. The same is true of the higher educational institutions.

Discontent with the way the Iraqi govern-

ment is handling the Kurd question is mounting. This found expression, in particular, in the general political strike called by the Kurd population in Northern Iraq on February 10, 1965 (the anniversary of the signing of the cease-fire agreement). The strike spread to all regions of Iraqi Kurdistan. The keynote was national autonomy for the Kurds within the Iraqi republic. Mass meetings were held in the provinces of Sulaimaniya and Arbil, and in the rural districts of the Kirkuk and Mosul provinces. The strike was supported by Arab patriots in the southern provinces of the country.

The situation in Kurdistan has grown particularly tense in recent months in connection with the military preparations by the Iraqi army. During February and March the main part of its forces, including tanks, mounted troops, aircraft and big police units were moved to Kurdistan. The Kurd troops in the Khanaqin, Shaklawa and Zakho regions have been bombed and shelled.

Simultaneously with the renewal of military operations the press began to conduct an intensified anti-Kurd campaign. Iraqi government officials are intimating that the Kurds are to blame for the military action against them, that the government troops acted in self defense. This has been a favorite method with all reactionary regimes who have tried to justify military operations against the Kurds, to set public opinion against them, and to undermine the position of those in the government who have urged a peaceful settlement of the Kurd question.

In April the Iraqi army units received orders to launch a general offensive on the Kurds in Northern Iraq. Five army divisions reinforced with aircraft were deployed against them.

The latest military measures of the government and also its suspicious contacts with the Turkish and Iranian authorities indicate that there is a definite plan jointly to crush the Kurd revolution. These actions fit in with the policy of the imperialists and the CENTO member-countries, a policy aimed at fanning a military conflict between the Kurds and the Arabs in Iraq.

Faced with the danger of civil war the Kurds have reasserted their determination to work for a peaceful solution of the question. Mustafa Barzani, leader of the Kurds, recently declared that the Kurds would under no circumstances be the first to start military operations. In his speech at the opening session of the Council of the Kurd Revolution on February 14, Barzani said: "There are forces here who wish the Iraq people, both Arabs and Kurds, harm. They are trying to start another war, although this is not in the interests of the Arab and Kurd peoples of Iraq. The foreigners will be the only ones who will benefit from a renewal of military operations. We must not forget that they might try to use us as tools in their plans.

We confirm that under no circumstances will we begin military actions. We are against provocations, no matter from what source. If we are attacked and compelled to defend our people, our children, our families and our land, we will place our hopes in God and in our people."

While urging a peaceful and democratic settlement of the question the Kurds stress their loyalty, as heretofore, to national unity and the territorial integrity of Iraq, and their desire to remain within the Iraqi republic. They maintain that recognition of their right to autonomy will strengthen the national unity of Iraq, cement the fraternal ties between the Arab and Kurd nations, whereas rejection of their lawful rights can only injure the integrity of Iraq and create fertile soil for imperialist plots in Kurdistan. The Kurds believe that establishing a democratic administration throughout Iraq will greatly help a just and democratic solution of their question. It is for this reason that they urged in their letters and appeals to the government that all political prisoners be released and martial law lifted. The government replied that the Kurds had no right to present such demands and that they were internal matters for the government to decide.

The military operations against the Kurds show that the imperialists aim at paralyzing the actions of the anti-imperialist forces in the Arab countries, at weakening the Iraqi people and the unity of their patriotic forces and at hampering the struggle of the Arab peoples against the imperialists and in the name of progress.

To fan the flames of war in Iraqi Kurdistan in this time of stress when the Arab people are withstanding the onslaught of the imperialist forces can only play into the hands of the imperialists and give them the needed pretext openly to intervene in the internal affairs of Iraq and re-establish their rule there. The present tense situation calls for unity and cooperation of all revolutionary patriotic, anti-imperialist forces in Kurdistan and throughout Iraq to frustrate the schemes of the imperialist and reactionary forces and thus prevent bloodshed, to win recognition of the national rights of the Kurd people and ensure progress for the Iraqi republic.

The Kurds appeal to all who in our age of the liberation of peoples believe in freedom and humanity, to all who respect the rights of man and of nations:

Stop the unleashing of a new war against the Kurd people! Stop the imperialist offensive of Iraq! Help the Kurds to win recognition of their national rights and respect for democracy!

We are confident that the liberation struggle of the Kurd people which has the support of all progressive and democratic forces in the world, will be given still greater material and moral support since the cause for which the Kurds are fighting is a just and humane cause.

Congress of the Communist Party of Norway

THE ELEVENTH Congress of the Communist Party of Norway, held in March in Oslo, was attended by over 300 people, including 182 full delegates. At a meeting held before the Congress the Central Committee decided that political questions should be discussed openly at the Congress, with the participation of the public.

The Congress was preceded by a public discussion conducted on the basis of the principles of the Party Program (adopted in 1963) and the "Theses for the Eleventh Congress."

The results of its work are summed up in the resolutions which were adopted unanimously: on the regeneration and extension of democracy; on preparations for the general election; on the U.S. aggression in Vietnam; on the threat of West German militarism; on the situation in the international Communist movement.

The resolution on the regeneration and extension of democracy, which analyzed the situation in the country, stressed that "the country has benefited by the prolonged boom and, thanks to their part in increasing output and their struggle for economic and social progress, the working people have been able to improve their conditions." However, in the struggle for higher wages the workers did not succeed in taking advantage of the boom to the extent that would enable them effectively to wrest part of the surplus value from the monopolists. Moreover, a considerable rise in prices (in particular in 1964) practically nullified the wage and salary increases. "Wage and salaried workers are the first to suffer from the rising prices," stressed the resolution. "To protect their interests it is necessary to use all the rights accruing from the law governing prices. In the struggle for a correct price policy society must resolutely challenge the huge profits pocketed by Big Business."

The monopolies were further strengthened. Concentration developed speedily in agriculture, the fishing industry, the merchant fleet and trade. The processes taking place in the economy have intensified the process of proletarianization. The working class, now numbering 1.1 million people, is a big factor in social life. The Congress theses point out that "the number of industrial workers has increased both abso-

lutely and relatively. This category numbers 270,000 or 35 per cent of the total number of workers."

The steady growth of automation and intensification of labor, the resolution continues, "makes the need for a 5-day working week more necessary than ever, while the reduction of working time to 40 hours weekly is a reform which must be effected in the near future." Serious disproportions impede the development of the economy. An accelerated process of internal migration is under way. Some parts of the country are being depopulated. It was pointed out that to change this state of affairs "society should make use of all the necessary levers so as to channel investments to regions with inadequately developed industry."

"Industrialization," the resolution stresses, "can be carried out both on the basis of direct public investments and at the expense of private interests. In keeping with the need to introduce democracy in economic life the major tasks of economic development should be solved by society, while it is necessary and expedient that the minor tasks should be tackled by private interests."

Analyzing the policy of the Labor Party and its government, the Congress reached the conclusion that "the Labor Party and its government have preferred to rule TOGETHER with big capital and not AGAINST it."

The Congress noted that "through their long struggle the people of Norway have won many democratic rights." The Communists consider it their direct duty to fight for a comprehensive extension of these gains, maintaining that "the extension of the democratic rights of the people is conditional on the all-round development of Norwegian society." In the Norway of today, the resolution stresses, "the principles of democracy should be applied also in economic life, in the enterprises, i.e., at the very heart of society. Today the fight for democracy in industry is in the foreground." In the struggle to fulfil this task, the resolution points out, an important part falls to the trade unions, and the social, cultural and educational organizations of the county.

The Eleventh Congress was held on the eve

of the elections to the Storting (Parliament), in a situation where the bourgeois parties headed by the Right-wing Høire party were trying might and main to win a majority and to oust the Social Democrats who have been the ruling party for the past 30 years.

As the resolution adopted by the Congress pointed out, "the 1965 general election will be of great significance for the further political development of Norway."

The Communist Party has set itself two main tasks in the forthcoming elections: to regain representation in Parliament and to prevent the bourgeois parties from securing a majority in the Storting. In this connection the Congress resolution says: "At present the bourgeois parties hope to win a majority in the future Storting. In the given case they also count on the split in the working-class movement. The CPN declares its readiness to cooperate in one way or another with the two other workers' parties in order to forestall, in the event of the bourgeois parties winning a majority, a basis being created for a bourgeois government led by the Høire party. . . ."

The Communists positively assess the proposals made by the trade unions which called on the workers' parties to find suitable forms of cooperation. "The CPN," the resolution stresses, "is ready to take part in discussing this issue, both between the central bodies of the parties and in the lower organizations, with a view to finding a positive solution."

Stressing the significance of working-class unity, the Eleventh Congress regards unity as one of the means with which "great and decisive steps can be made in promoting democracy and socialist regeneration." The resolution points out that the strong trade union movement existing in Norway creates "a firm class foundation for unity both in the professional

and economic sphere and in the sphere of political activity."

Noting the difficulties in the way of unity, caused by the existence of three political parties in the working-class movement, the Congress emphasized that "different viewpoints on both questions of principle and problems of practical policies should not be an obstacle to uniting the forces with a view to resolving the issues on which views coincide."

The Communists want unity of all working-class forces in order "to lead our people further along the road of extending democracy towards a socialist society."

The Congress unanimously adopted a resolution on the situation in the international Communist movement, in which it stated that "the conference of 19 Communist parties held on March 1-5 this year was conducted as a consultative meeting at which new ways and means were sought for reinforcing cohesion and restoring unity in the international Communist movement."

The resolution stressed the need to pay "special attention to the common tasks and aims in the struggle against imperialism and neo-colonialism, against the rule of monopoly capital, for rendering active support to the national-liberation movement, in defense of all peoples subjected to imperialist aggression, and in the struggle for world peace founded on respect for the sovereignty and inviolability of all states. Through this concentration on the urgent tasks it will be possible to promote most effectively the approximation of views on the basic problems of our time."

The delegates supported the idea of holding a regional conference of the Communist parties of the European capitalist countries.

The Congress elected the leading committees of the Party. R. Larsen, editor of *Friheten*, was elected Chairman of the Party.

Venezuelan national hero

THE NAME OF ARGIMIRO Gabaldon was legend even during his lifetime. His life, cut short tragically last December by a stray bullet, was an inspiring example for all Venezuelan revolutionaries fighting to liberate their country from the grip of foreign imperialism and their local henchmen.

The first guerrilla detachments in Venezuela formed to wage an armed struggle against the Betancourt regime appeared three years ago. At that time the guerrillas called their commander "Comandante Carache" for his real name could not be used in those days and it did not figure in the communiques issued by the embryonic guerrilla army of national liberation, although he was one of its founders. Few knew then that "Comandante Carache," the man who opened the Simon Bolivar front in Lara province, was one of the leaders of the Communist Party of Venezuela, that he had joined the party as a raw youth and that his real name was Argimiro Gabaldon Marquez.

The Gabaldon family is well known in Venezuela for its progressive traditions. General Jose Rafael Gabaldon, a revolutionary who went off to the mountains in 1929 taking his eldest son Joaquin with him to rally the people against the tyranny of Juan Vincente Gomez, was chosen by the Venezuelans to represent their country on the World Peace Council.

As a youth, his younger son Argimiro earned a reputation as a writer of hard-hitting polemical articles in the press. He was especially popular among the peasants of Lara province. He was born on June 17, 1919, on his father's estate of "Santo Cristo." He grew up among the peasants. From them he learned to plough, to hunt and to ford the rapid mountain rivers. He came to know their life well and later became the organizer of the first peasant groups on the big estate. It was there, too, that he trained some of the first leaders of the peasant movement, among them Ramulfo Peralta.

A gifted journalist, poet and artist, Argimiro longed to dedicate himself to art, but the drama of his people enacted daily before his eyes drew him into the political struggle. He could not remain indifferent to the suffering and injustice he saw around him, and, anxious to help his people, he joined the Communist Party.

"How unique to have been present at the birth of something that until recently one saw only as a great ideal," he wrote in one of his letters. He saw the cause for which he fought

as his own vital, personal cause. "Today when the awakening masses are lighting our way to revolution, there are few who would swerve from that path," he wrote. "But when nevertheless I see that happening, I experience the anguish I would at the sight of a child dying at the dawn of a new day."

The path chosen by this sensitive and spirited young man led him to the Lara hills and to fame as a guerrilla commander.

Guerrilla warfare began in Venezuela in 1962 when it became clear that the terror instituted by Betancourt had closed all the paths to peaceful struggle for democracy and freedom, for the country's deliverance from imperialist oppression.

Gabaldon's guerrillas soon became renowned for their daring operations. One of these was the attack on the town of Humocaro Alto in April 1962. The communique issued by the then newly-formed national-liberation army described the action in these words: "Guerrillas in the province of Lara have liberated Humocaro Alto, capturing the prefecture, the police barracks and the headquarters of the national guard; arms and equipment were also captured. . . . The population of Humocaro Alto gave the guerrillas a great welcome. . . ."

The guerrilla actions encouraged all who hated the regime of terror. The dismay among its supporters was such that the government rushed reinforcements of troops and police to the scene of the fighting. In the unequal battle against this army, the small guerrilla groups suffered heavy losses. The government press was jubilant. It lauded the "heroic victors" and announced that the guerrillas had been wiped out.

But the authorities miscalculated.

The Communist Party newspaper *Tribuna Popular*, describing the government's offensive against the Lara guerrillas at Humocaro Alto, wrote: "It seemed as if the end had come for the guerrillas. But the same factor that had brought them into being—Betancourt's policy of fire and sword—proved no less effective a stimulus to their revival." The peasants soon realized that the men who had taken to the hills to battle for freedom were championing their interests. And before long, as the *Tribuna Popular* noted, "their distrust gradually changed to neutrality, then tolerance and finally to active support."

The following episode is proof of the peasant support for the guerrillas.

Soon after the fighting at Humocaro Alto, Argimiro fell seriously ill. His comrades decided to evacuate him to one of the outlying villages. Enroute, however, he was recognized by a police agent, but when shortly afterward the police arrived at the village in force in the hope of capturing him, the villagers, armed with knives, rose in defense of the guerrilla commander. They held back the police until he had been removed to a more secure place.

Today, nearly three years later, fighting is still going on over an area of 13,000 sq. km. despite the reports issued each month by the government claiming that the guerrillas have been finally routed.

The government counted on the guerrilla forces being unable to unite. But in September 1962 the Lara guerrillas reported that the first joint army command had been set up there. Thanks to the joint efforts of the Communist Party, the Left Revolutionary Movement and other parties and organizations the Front of National Liberation (FLN) and the Armed Forces of National Liberation (FALN) were established.

The guerrilla front commanded by Gabaldon has continued to operate there throughout these years, growing steadily in strength and numbers. "The Simon Bolivar Front in Lara province, under the command of Argimiro Gabaldon," the *Tribuna Popular* wrote last December, "is in effect the government for 126 villages with some 15,000 inhabitants."

The operations of Argimiro's guerrillas have become legend in Venezuela. In Las Trincheras, for instance, Gabaldon with six men ambushed and engaged an enemy force of 60. The enemy, having lost 23 killed and wounded, took to flight, much to the delight of the peasants in the surrounding villages.

Argimiro Gabaldon perished, but the detachment that bears his name is still fighting in the Lara hills. The communiques of the National Liberation Army indicate that guerrilla operations in that province continue despite the offensive against them launched by the Leoni government. Though the loss of their commander is a heavy blow, the men of the Simon Bolivar Front look to the future confident that justice will triumph. "We shall stand our ground," they declare. "We shall remain loyal

soldiers of the revolution! We have vowed to liberate our country or die. We shall redeem that vow for which so many have already given their lives."

The death of the popular hero plunged embattled Venezuela into mourning. His funeral was a demonstration of the unity of the revolutionary forces rallied around men like Argimiro Gabaldon and his fellow-Communists.

In a letter addressed to the hero's father from prison, Jesus Faria, Gustavo Machado, Eduardo Machado, Pompeyo Marquez, Guillermo Garcia Ponce and other Communist leaders wrote:

"Those who fall on the battlefield of the revolution never die . . . His example will live, inspiring those of us who are left to carry on the liberation movement. . . ."

Argimiro Gabaldon died fighting for a better future for his people. He devoted much energy to building up the guerrilla movement and setting up committees of the FLN in guerrilla-occupied areas, besides leading his men into battle. "I am convinced," he used to say, "that no revolution can be victorious without the struggle of the masses. The armed struggle, not to be confused with an armed coup, is the struggle of the masses. . . ." But he clearly saw that this was not the only way, that were it not for the violence of the government, the peaceful way would have been possible. "I see that possibility," he wrote, "but the enemy also sees it and does not accept it. . . . Must we, then, go to meetings and demonstrations and, like the early Christians, suffer ourselves to be thrown to the lions? Should we take shelter in caves and confine ourselves to circulating illegal leaflets indulging in abstract discussions of some mass movement? The Venezuelan revolutionary vanguard cannot agree to that."

The enemy's hatred for Argimiro has not abated even with his death. He bequeathed to his comrades not only an example of courage in battle, but also the sober, carefully considered tactical and strategic ideas of struggle for the liberation of their country. That is why, even in death, Argimiro continues to strike fear into the hearts of the enemy.

"You lie, you cannot kill Argimiro," the guerrilla song goes. "And if he is dead, why then do you still fear him?"

V. L.

USA steps up aggression in Southeast Asia

FOR THE WORLD this is an uneasy spring. The flames of war kindled by the U.S. imperialists in Indochina, far from showing signs of abating, are being fanned. In effect, the war-makers in Washington are waging a war of annihilation against the people of South and North Vietnam. They no longer talk about "aid" to South Vietnam, and their press acknowledges that the war in Indochina is seen as an "American war."

The U.S. military build-up is continuing. More troops are being sent in. The Seventh Fleet, an armada of 125 ships and 650 aircraft is concentrated off the Indochina coast. The "hawks" in the Pentagon are talking in terms of sending, "if necessary," another 350,000 troops.

The war has brought untold suffering to the people of Vietnam. On March 22 the South Vietnamese Liberation Front released facts and figures giving an idea of the toll taken by the Americans and their Saigon puppets. In the past 11 years they have carried out more than 160,000 punitive raids, killing nearly 170,000 people, wounding or maiming by torture another 800,000; 400,000 are held in prison and over five million in concentration camps euphemistically called "strategic villages" and "resettlement centers." Scorched-earth tactics are the rule in this dirty war.

And yet after all the savagery of napalm bombing and the use of gas the outlook for Washington is blacker than ever. U.S. prestige has suffered a shattering blow in the world, and a dead end has been reached by Pentagon's Vietnam strategy.

"In Southeast Asia," Walter Lippman writes, "we have entangled ourselves in one of the many upheavals against the old regime, and we shall not make things any better by thrashing around with ascending violence."

The U.S. strategists are turning a deaf ear to this sound advice. Not content with the present scale of aggression or the methods of extermination used so far, the Pentagon and the most aggressive elements in the White House and the State Department are advocating escalation of hostilities, with continued massive strikes at DRV territory. According to *New York Times* commentator Sulzberger the

military, in desperation, want to extend the intervention.

"Our military," he wrote, "eager to reverse the guerrilla tide, tends to disregard political consequences of its actions."

All the indications are that it is the hard-line men who are now setting the tone in Washington. But there is also growing resistance on the part of public opinion. The sponsors of the "gradual escalation" policy are losing support even among senators and congressmen who formerly backed them, while the advocates of a peaceful settlement are becoming increasingly vocal. The anti-war actions of progressive intellectuals, especially students and university and college faculty members, and the editorial columns of a number of U.S. papers all testify to the disquiet and anxiety felt by the public.

"The Government has forfeited our confidence," Lewis Mumford writes in an open letter to the President (published in the *San Francisco Chronicle*), "and we will oppose with every means available within the law, the execution of this impractical, and above all, morally indefensible policy. There is only one way in which you can remove our opposition or regain our confidence; and that is to turn back from the course you have taken and to seek a human way out."

The impasse U.S. policy has entered in Vietnam, the protests at home and abroad against the war, is compelling Washington to maneuver, to provide a semblance of justification for the aggression and to lull the man in the street with promises and lip service to peace. Johnson himself has been particularly active in this respect trying to explain away his Vietnam policy.

In a speech in Baltimore Johnson claimed that he wanted a "peaceful settlement" in Vietnam, that he was ready to negotiate without preliminary conditions. Yet almost as he was speaking bombs were exploding and napalm was burning towns and villages in North Vietnam.

As regards readiness to dispense with preliminary conditions, light on this matter is shed by Washington's response to the call by 17 non-aligned nations for a peaceful settlement

issued immediately after Johnson's Baltimore speech. Washington made it clear that peace in Southeast Asia was *impossible* unless the so-called "North Vietnamese aggression" was stopped first, in other words, unless the South Vietnam patriots renounced their liberation struggle. What is this if not a condition?

The U.S. politicians will not concede that the South Vietnamese National Liberation Front—and not the Minhs, "big" and "small," who cower in Saigon under the protection of U.S. arms and U.S. marines and military police and who fear their own people more than anything else in the world—is the only real representative of the people's interests.

Johnson wound up his Baltimore speech by declaring that the aim of U.S. policy in Southeast Asia was to take part in its economic development and that he would ask Congress for \$1,000 million for the purpose. Consistency, it would seem, is not one of the ways of the White House. For the same Johnson had said only shortly before that the U.S. was spending just about that sum annually on the bombs, shells and aircraft shipped to Southeast Asia, i.e., on killing people in Vietnam.

The war in Southeast Asia has led to the virtual isolation of the U.S. rulers from most of their allies. The "free world," it seems, is reluctant to follow the leader, whose reckless foreign policy has created a grave danger to peace and international security.

"Washington's policy of bombing North Vietnam while avoiding negotiations is sowing confusion among America's friends," the Paris correspondent of the *New York Times* wrote on March 29.

Still more sharp was the reaction of the neutralist countries, many of which have condemned U.S. aggression in Vietnam.

The U.S. diplomats have worked hard to explain away their inexplicable strategy in Southeast Asia. The White House has sent emissaries abroad to do some brainwashing, to dispel the fears of its allies and to win over those who doubt America's "good intentions." In Western Europe this role was undertaken by Walt Rostow, who had confidential talks with representatives of NATO powers, and by Under-Secretary of State George Ball. Averell Harriman, whose specialty is delicate political missions, flew to India and the Middle East with the same purpose. Secretary of State Rusk himself briefed representatives of the CENTO countries. And Henry Cabot Lodge, the former U.S. Ambassador in South Vietnam, visited the Far East, Australia and New Zealand.

Latterly U.S. propaganda has been playing up the "domino theory" in an effort to vindicate U.S. aggression in Indochina. According to this concept, U.S. withdrawal from South Vietnam would result in the collapse of the entire system of American alliances and pro-imperialist regimes in this area and impel the now neutral Laos, Cambodia and Burma sharply leftward.

"At the end of the 'theory of the falling dominoes' which starts with the fall of South Vietnam to Communists, all of Asia from India through Japan and the Philippines would be Communist," wrote *U.S. News and World Report*, playing on the patriotic sentiments of the Americans and appealing for the solidarity of U.S. allies. "India and Australia would be the new frontiers of war. And the defense of the United States would be withdrawn to its two newest states—Alaska and Hawaii."

The domino theory enables the U.S. imperialists to pose as the "defender" instead of coming out openly as the aggressor. This, perhaps, is why American propaganda places such emphasis on it. In reality, however, imperialism in Southeast Asia is not on the defensive but conducting an active offensive pursuing far-reaching political aims, as can be seen from the usually well-informed columns of the commentators.

Walter Lippmann, for instance, writes that Defense Secretary McNamara and others in the Pentagon regard the war in South Vietnam as a "decisive test for the future," as something that will decide the future of "liberation wars." James Reston of the *New York Times* says that the Johnson Administration considers the Vietnam war a "critical test" of U.S. ability to combat communism not only in Southeast Asia but in other parts of the world, the Western hemisphere included.

"The strong U.S. stand in Vietnam . . . hurts subversive Communism throughout the hemisphere," writes the *New York Herald Tribune*. "It shows Latin America that an Uncle Sam willing to risk all in far-off Southeast Asia won't hesitate to intervene in the Guatemalan jungles or the Colombian hills if need be."

For the men in Washington, then, South Vietnam is the first battlefield in the American war against the national-liberation movement and the advance of socialism. Who knows where the second battlefield will be. Probably in some other country that has thrown off the colonial yoke or where the people are fighting for national liberation. General Harold Johnson, U.S. Army Chief of Staff, frankly declared after a tour of inspection in South Vietnam that the Pentagon regards the present war in Indochina as the possible beginning of a whole series of "local wars."

It is hardly a matter of chance that South Vietnam has become a testing ground not only for new types of weapons but also of U.S. capability to combat the national-liberation movement. In the first place, the presence in this area of a network of U.S. military bases, and the possibility of making use of SEATO and America's Asian allies (Thailand, South Korea and the Philippines) give the United States certain strategic advantages in Indochina. Moreover, developments in Southeast Asia in the past few years have been used by the anti-Communist propagandists to indulge in speculation about what they call the threat of "Communist aggression." Lastly, South Viet-

nam is a convenient takeoff point for an offensive against those Asian countries which are reluctant to tie themselves to the Washington political chariot. As Hanson Baldwin, the *New York Times* military commentator said, the USA needs South Vietnam as a strategic bridgehead poised not only against the North but also against the South.

A supporting bridgehead of the U.S. southward thrust, the "second line" of the colonial war against the people of Southeast Asia, is the puppet federation of Malaysia, which Harold Wilson's Labor government has obligingly agreed to let the Pentagon include in its strategic plans. Despite the rivalry of U.S. and British monopoly groups in Malaysia, their interests fully coincide on the crucial thing—suppression of the national-liberation movement.

In April last year Malaysia was visited by General Wheeler, the chairman of the Joint Chiefs of Staff, who conducted secret talks with military leaders in that country. Wheeler assured the government of Tongku Abdul Rahman that the U.S. armed forces were prepared to go into action in the event of hostilities breaking out in this area. Now the Pentagon has followed up with practical steps. It has undertaken to pay for the training of Malaysian officers in U.S. military schools. And on March 7 this year the Rahman government accepted the U.S. offer of a \$4 million credit for expanding the armed forces. It is reported that the USA intends to supply jet aircraft to Malaysia.

An invitation to Malaysia to join SEATO was extended through Washington's vassal Thailand. And although Abdul Razak, Defense Minister of the Federation, commenting on the Thai overture, declared that the question "still remains open," he stressed that his country "would welcome aid from SEATO."

In their plans for dealing with the national-liberation movement in Asia the U.S. strategists pin hopes on the new aggressive alliance for Northeast Asia—NEATO—now in the process of formation. While Malaysia is a typical product of British neo-colonialism which goes in for setting up puppet federations of former colonies, NEATO is the spawn of U.S. policy which has already brought into being a string of aggressive military alliances. Drawing on the experience of the past, Washington intends to make the new bloc a purely "Asian" affair and thus more palatable to the Asian countries.

The backbone of the new bloc was created with the initialing in February this year of what is called a "basic treaty" between Japan and South Korea. These two are subsequently to be joined by Taiwan and the Philippines, and possibly some Southeast Asian countries so as to make Thailand the connecting link closing the chain of pro-American alliances. We are thus witnessing the establishment in Asia of a united front of the colonialists and their local agents.

These designs of the U.S. imperialists in Southeast Asia are fraught with grave danger

to peace and international security. In our time any "local conflict," any attempt to strike at the national-liberation movement in any part of the world, cannot but have international implications. Peaceful coexistence and "export of counter-revolution" are incompatible. The sooner the imperialist politicians realize this, the more realistic will be the prospect of establishing genuine peace and friendly cooperation between countries with differing social systems.

The people of Vietnam are valiantly resisting U.S. aggression. They are in the frontline of the struggle against U.S. imperialism. Hence the international significance of their liberation mission.

"We want peace but we are not afraid of war," President Ho Chi Minh of the Democratic Republic of Vietnam said. "We are fully resolved to drive out the American aggressors in order to uphold the freedom, independence and territorial integrity of our country. Our people are firmly confident that thanks to their militant solidarity, courage and creative wisdom, and also thanks to the sympathy and support of the peoples of the whole world, they will succeed in carrying on this great war of resistance to complete victory."

To the dangerous situation created by the U.S. aggression in Indochina, the Communist and Workers' parties and all peace-loving and democratic forces are responding with actions in defense of the Democratic Republic of Vietnam. In these circumstances a *united* stand by the *entire* socialist camp—the vanguard of the anti-imperialist struggle—is of the utmost importance.

The Soviet Union, which has displayed its readiness to render the aid necessary to repel the U.S. aggression, has come out resolutely in support of the Democratic Republic of Vietnam.

"If U.S. aggression against the Democratic Republic of Vietnam is intensified," states the joint Soviet-Vietnam communique published after a visit to the Soviet Union by a Party and government delegation from the DRV, "the Soviet government will, in case of need and if the government of the DRV should request it, permit those Soviet citizens to leave for Vietnam who, prompted by a sense of proletarian internationalism, have expressed the wish to fight for the just cause of the Vietnamese people, to safeguard the socialist achievements of the Democratic Republic of Vietnam."

It is the internationalist duty of the socialist countries to pursue a coordinated policy towards the aggressive actions of the imperialists. Any differences in the socialist camp cannot but weaken the struggle against imperialism. The foreign policy of each of its members cannot but be an integral component of the foreign policy of the entire socialist system. In all circumstances it rests not only on national economic and political might, not only on the prestige and influence of the given country, but on the strength and prestige of the socialist world system as a whole. Hence the strengthening of cohesion among the fraternal countries,

united action in the face of imperialism and concentration of all their efforts to combat imperialist aggression are of truly revolutionary significance.

The conditions for unity are inherent in the nature of socialist society. The common ground afforded by the socio-economic foundations of the socialist countries, the fact that imperialism is their main enemy and that to combat this enemy is in their common interest, the identity of their internal social aims, their international duty and their ultimate purpose—all objectively determine a common line of foreign policy.

Needless to say, this struggle against imperialist aggression is the chief responsibility of

the socialist camp. Action by the entire working-class and democratic movement, the national-liberation movement and all supporters of peace is of enormous significance. The channelling of these actions to halt the aggression and compel the U.S. to withdraw its forces from South Vietnam is the task of the day.

The Communists are confident that all the conditions exist to put a stop to the export of counter-revolution, to repel the imperialist offensive. But to make use of these conditions it is essential to mobilize all the peace-loving and democratic forces and all revolutionaries in the struggle against imperialism.

M. STONE

"From your special correspondent"

I want
the pen
matched with the bayonet.

Vladimir Mayakovsky.

IN JULY 1944 A FRENCH girl, barely out of her teens, shot and killed a Hitler officer in broad daylight. A month later, wrested from Nazi hands and hardly recovered from her ordeal, she took part in the liberation of Paris, helping to hold up a trainload of fleeing invaders. That was Madelaine Riffaud, whose book *From Your Special Correspondent* appeared recently in Paris.

In the twenty years since those memorable days she has never ceased to fight for peace, democracy and freedom. Exchanging the revolver for the journalist's pen, Madelaine Riffaud, as special correspondent of *Humanité*, *Vie Ouvrière* and other progressive publications, has always been in the thick of the struggle for national independence and social justice—in embattled Vietnam, in Bizerta, where she barely escaped death in a bombardment, in Algeria where she was wounded on the eve of that country's liberation.

Although her book treats of events long since past it is of considerable topical interest. Her dispatches have a direct bearing on the struggle against imperialist reaction.

What is the secret of their unfading freshness and charm? The answer can be found in her reportage of the trial of Henri Martin, the French seaman who refused to fight in the "dirty war" against Vietnam.

Her dispatches are distinctive both in style and in her approach to the events she witnessed. Her stories are the stories of people who participated directly in these events, people who

were making history. She paints a whole gallery of portraits of ordinary men and women in Vietnam, Algeria and Tunisia—heroic guerrilla fighters, old men and women, mothers and children, all of whom personify the indomitable will of a nation fighting for national independence and social justice.

Through interviews with persons directly involved in the events described she manages to convey their cherished aspirations. She was able to win the confidence of the rank and file Vietnamese and Arabs who fought against the French colonialists. Her on-the-spot reporting brought their heroic struggle to the attention of the French and world public. Madelaine Riffaud, like thousands of other French patriots, did her bit in that struggle, upholding the dignity and the progressive traditions of France in the eyes of the oppressed peoples and the world at large.

Her reportage has stood the test of time because those who took part in the events described are still living and fighting, because the aims of their struggle, their objectives and ideals have remained unchanged, and because their struggle for freedom and justice has not ended. And so long as that struggle continues "your special correspondent" is its courageous participant, as is evidenced by her recent dispatches to *Humanité* from the battlefields of Vietnam, which have been reprinted by progressive publications everywhere.

Madelaine Riffaud's book is a historical record of colonial wars and the struggle of the peoples for national and social emancipation.

E. BERTH

Riffaud M. *De votre envoyée spéciale*. Paris, Les Editeurs Français Réunis, 1964, 318 pp.

The rich heritage of Italy's communists

THIS SELECTION FROM "lo Stato Operaio" (The Workers' State), the political journal of the Italian Communist Party published between 1927 and 1939, brings to the reader documentary evidence of the underground struggle waged by the Party in that period. The materials, supplied with an introduction, annotation and commentary, were originally published in Paris, smuggled into Italy and clandestinely circulated. This makes them something of a bibliographical rarity since in underground conditions it was difficult to preserve a complete file of a journal printed in no more than 2,000-5,000 copies.

The selections remind one that the working-class movement in Italy, forced into the fascist corporative trade unions, deprived of its own independent class and trade union organizations, without democratic rights, press, and any form of legal representation, nevertheless continued to function and to play its part in the political life of Italy. They show that the working class and its Communist Party kept their place in the political arena and testify to the objective nature of the historical mission of the proletariat. The fascist dictatorship was bent on dulling the class consciousness of the working class and impeding its development,

but on the pages of the underground working class press it found its clearest and most vigorous expression.

The journal endeavored to evolve a clear and enlightened definitive stand on all the key national questions, to reveal the conditions in which Communist activity could be expanded and the masses drawn into the struggle for the defeat of fascism.

With all its weaknesses and defects, despite the schematism and inaccuracy of some of its solutions, *The Workers' State* must be given credit for having analyzed the class content of the fascist dictatorship, and for having posed such problems as that of the struggle against war, the unity of the international working class movement, the attitude to the Catholics in Italy, to the building of socialism in countries where revolution has triumphed.

The present volume in a sense links the Italian working class and its Communist Party today with the period when the Party and all other class organizations of the working class appeared to have been banished from the political life of the country. C. NEGRI

Lo Stato operaio: 1927-1939. Antologia a cura di Franko Ferri, Roma, Editori Riuniti, 1964 XVI—506 et 661 pagg.

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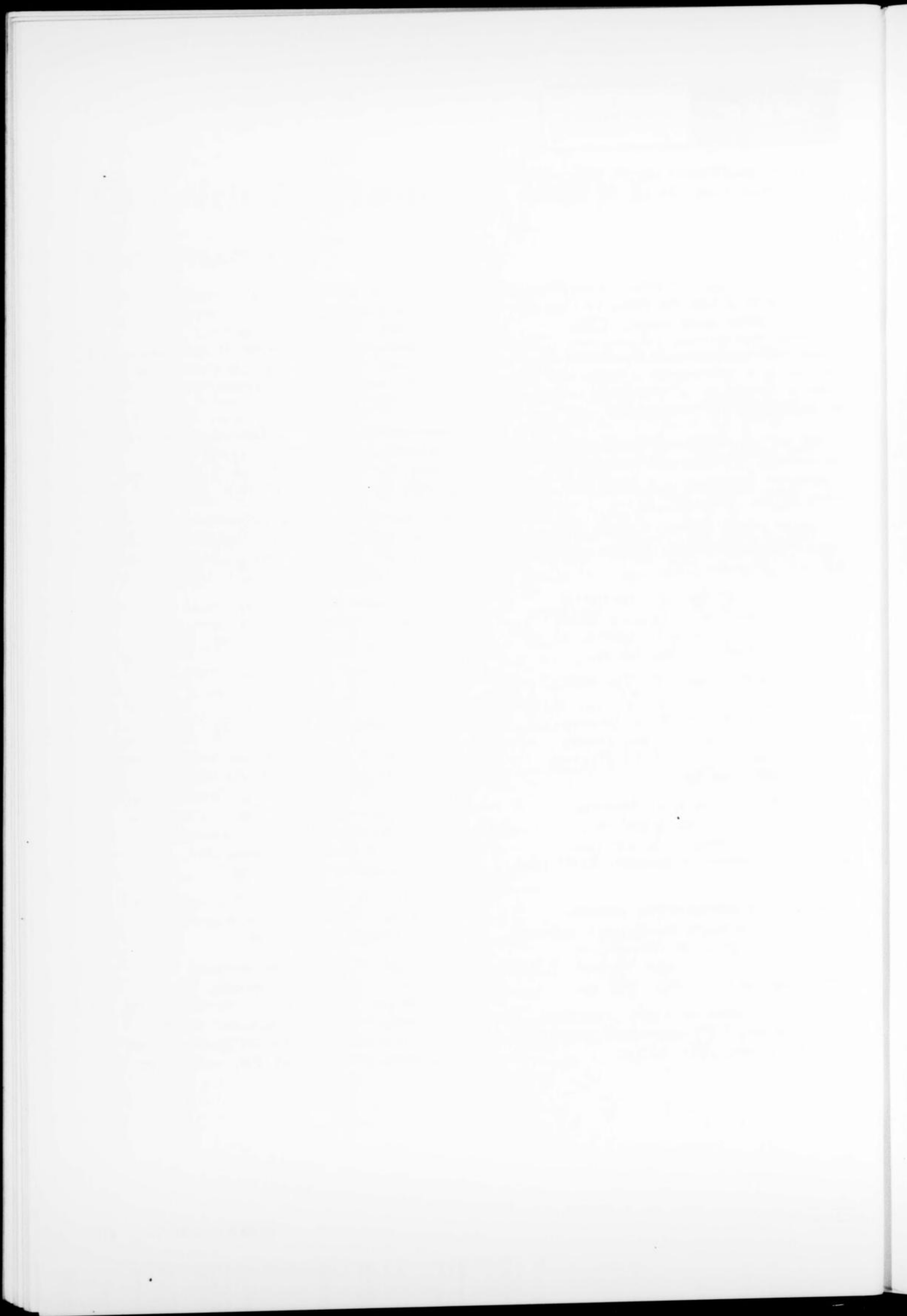
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