People All Over the World, Support Viet Nam!

Chinese Government's statement (p. 5).

Struggle to Safeguard Sino-Soviet Unity

2. Renmin Ribao editorial (p. 11).

Whither the United Nations?

Observer comments on de Gaulle's February 4 press conference (p. 13).

Conditions Ripening for New Economic Crisis in U.S.

(p. 15).
The People's Communes Forge Ahead

by Tao Chu

This is an article by Tao Chu, Member of the Central Committee of the Chinese Communist Party and First Secretary of the Secretariat of the Central-South Bureau of the Central Committee, summing up five years' experience in the rural people's communes of Kwangtung Province. It describes the historical conditions which gave rise to the rural people's communes in China, their nature and management at the present stage, and the struggle to decide which road China's villages should take—to socialism or capitalism. It explains the unrivalled superiority and great achievements of the people's communes.

Socialist Industrialization and Agricultural Collectivization in China

This booklet contains two articles written in 1963, one by Po I-po, Vice-Premier of the State Council of the People's Republic of China, the other by Liao Lu-yen, Minister of Agriculture, for the Cuban magazine CUBA SOCIALISTA. What is China's path of socialist construction? What have been the Chinese people's achievements and fundamental experiences in this field? Readers will find answers to these and other questions in this booklet.

In English

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Among the major events of the week:

- The Chinese Government issued a statement on February 13 calling on the whole world to support the just struggle of the people of Viet Nam and other states in Indo-China against the U.S. aggressors.

- China's leading dailies continued to feature news of worldwide condemnation of U.S. aggression against the Democratic Republic of Viet Nam.

- Chinese and Soviet leaders exchanged messages of greetings on the occasion of the 15th anniversary of the Sino-Soviet Treaty of Friendship, Alliance and Mutual Assistance.

- Peking, Shanghai, Canton and other cities held meetings to celebrate the anniversary.

- President Julius Nyerere of Tanzania and his wife arrived in Peking on February 17 for a visit.


- In its February 15 editorial Renmin Ribao hailed the opening in Phnom Penh of the preparatory meeting for the Indo-Chinese people's conference.

- Renmin Ribao on February 12 published an article by Commentator declaring that the Sato government of Japan must repudiate the “Yoshida Letter” designed to sabotage Sino-Japanese trade.

- Renmin Ribao carried two other articles by Commentator on February 16, one supporting the people of the Congo (Brazzaville) against imperialist subversion and the other denouncing U.S. aggression against Uganda.


**Chairman Mao Receives Soviet Delegation**

A.N. Kosygin, Chairman of the Council of Ministers of the U.S.S.R., and the Soviet delegation led by him left Peking for the Korean Democratic People's Republic on the afternoon of February 11. Among those seeing them off at the airport were Premier Chou En-lai and Vice-Premier and Foreign Minister Chen Yi.

That morning, Chairman Mao Tsetung and Chairman Liu Shao-chi received A.N. Kosygin and the Soviet delegation.

Before his departure, Chairman Kosygin gave a banquet which was attended by Premier Chou, Vice-Premier Chen and other Chinese officials.

**Peking Celebrates Sino-Soviet Treaty Anniversary**

The 15th anniversary of the signing of the Sino-Soviet Treaty of Friendship, Alliance and Mutual Assistance, which fell on February 14, was celebrated in China. Messages of greetings were exchanged between the Party and state leaders of the two countries. Soong Ching Ling,
President of the Sino-Soviet Friendship Association, exchanged greetings with N.V. Popova, President of the Union of Soviet Societies of Friendship and Cultural Relations with Foreign Countries, and A.A. Andreyev, President of the Council of the Soviet-Chinese Friendship Association.

Peking held a mass rally in Huajintang Hall to celebrate the anniversary. It was attended by Chen Yi, Member of the Political Bureau of the Central Committee of the Chinese Communist Party and Vice-Premier, and other leading officials. S.V. Chernovensko, Soviet Ambassador to China, and members of the Soviet-Chinese Friendship Association delegation, headed by V.F. Kozhevnikov were also present. Kuo Mo-jo, Vice-Chairman of the Standing Committee of the National People's Congress and Vice-President of the Sino-Soviet Friendship Association, addressed the rally. (For full text of his speech see p.8.) Ambassador S.V. Chernovensko and Y.F. Kozhevnikov also spoke.

On February 15, Ambassador Chernovensko gave a reception. Chou En-lai, Peng Chen and Chen Yi were among the Chinese leaders who attended. Both Ambassador Chernovensko and Vice-Premier Chen Yi spoke at the reception. (For Vice-Premier Chen's speech see p.12.)

In Shanghai, Canton, Shenyang and Wuhan, the anniversary was also celebrated at meetings and parties.

Chinese Ambassador Pan Tzu-li and a delegation of the Sino-Soviet Friendship Association led by Ho Wei, Minister of Education and Deputy to the National People's Congress, attended a meeting in Moscow celebrating the occasion. Both Ambassador Pan and Minister Ho made speeches.

The Chinese Ambassador gave a reception on February 15 to mark the anniversary.

National Support for Viet Nam

U.S. air attacks against the Democratic Republic of Viet Nam touched off a new wave of anger against U.S. imperialism. Across the length and breadth of the country the Chinese people came out in powerful demonstrations, condemning the U.S. aggressors and pledging firm support for the Vietnamese people.

In the five days from February 8 to 12 a total of over 11 million people took part in street demonstrations, voicing unequivocal support for the Chinese Government's statement of February 9 and expressing readiness to take concrete action to carry out their internationalist duty and fight shoulder to shoulder with their Vietnamese brothers against the U.S. aggressors.

People of all nationalities and professions in the country took part in the demonstrations. The officers and men of the three services of the Chinese People's Liberation Army held mass meetings. They expressed determination to intensify their training and give resolute support to the Vietnamese people.

The five days of demonstrations were a mighty expression of international solidarity against U.S. imperialism. Friends from Asia, Africa and Latin America, and from the socialist and other countries, joined the Chinese people on the streets.

The demonstrating millions hailed the brilliant victories scored by the Vietnamese armed forces and people in repulsing U.S. aggression - fresh evidence that U.S. imperialism is a paper tiger.

The whole nation continues to follow closely the development of the situation in Viet Nam. They have served warning on U.S. imperialism that the heroeic people of Viet Nam and the 650 million people of China are not to be bullied. If U.S. imperialism imposes war, the Chinese people will battle it to the end.

Moroccan C.P. Delegation in Peking

A Moroccan Communist Party delegation composed of Ali Yata, First Secretary of the Party's Central Committee, and Abdeslam Bourquia, Member of the Political Bureau and of the Secretariat of the Central Committee, arrived in Peking on February 9 at the invitation of the Central Committee of the Chinese Communist Party.

On February 11, Teng Hsiao-ping, General Secretary of the C.C. of the Chinese Communist Party; Kang Sheng, Alternate Member of the Political Bureau and Member of the Secretariat of the Party's C.C.; and Liu Ning-ti, Member of the Party's C.C., held a cordial talk with the Moroccan comrades and later gave a dinner in their honour.

The Moroccan Communist Party delegation left Peking for home on February 16.

Friendship Delegation From Kuwait

A friendship delegation from Kuwait, led by Sheikh Jabir Ahmed El Jabir Sabah, Minister of Finance and Industry and concurrently Minister of Commerce, arrived in Peking on February 11 for a visit at the invitation of Fang Yi, Chairman of the Commission for Economic Relations with Foreign Countries.

Minister Jabir Sabah was received by Chairman Liu Shao-chi on February 13. The day before, Premier Chou En-lai and Vice-Premier Chen Yi had a friendly talk with him.

The Kuwait delegation left Peking for Shanghai on February 15. On the eve of its departure, Fang Yi gave a farewell banquet in its honour. Speaking at the banquet, Fang Yi noted that the visit of the delegation had made important contributions to developing friendly co-operation between the people of China and Kuwait. "The two sides," he said, "have agreed to take effective measures to develop economic and technical co-operation and promote trade exchanges between the two countries."

Jabir Sabah, in his speech, expressed the hope that his delegation's visit would bring about fruitful and solid co-operation between the two countries.
Chinese Government Statement

Call for World Support for People of Viet Nam and Indo-China

- The statement reiterates that the Chinese people have long been prepared and know how to aid the people of Viet Nam and Indo-China in driving out the U.S. aggressors.

- Now that the U.S. bandit chieftain Johnson has twice personally directed aircraft of the south Vietnamese puppets to bomb the Democratic Republic of Viet Nam, the latter has secured the right to take the initiative in dealing counterblows to the south Vietnamese puppets.

- The U.S. Government should be reminded that it is the United States which has invaded south Viet Nam in violation of the Geneva agreements and which has now further taken the lead in breaking up the line of demarcation between southern and northern Viet Nam. Do they seriously think that they alone are allowed to do so while others are not? The war will not develop in accordance with a law of their own liking.

As the whole world knows, the pretext upon which the United States made its air attack on the Democratic Republic of Viet Nam on August 5, 1964, was a sheer ghost tale. As regards the latest air attacks, the U.S. aggressors claimed that they had to “retaliate” on northern Viet Nam because they had suffered beatings in the south. This is an even more glaring example of gangster’s logic, confounding right and wrong. The war in south Viet Nam was provoked by the United States. When France withdrew its forces in pursuance of the 1954 Geneva agreements, the U.S. aggressors immediately stepped in. U.S. imperialism and its puppets in south Viet Nam have stopped at nothing in their oppression of the south Vietnamese people, and this inevitably evokes vigorous resistance from the latter. Special warfare is an invention of General Maxwell Taylor, the present U.S. ambassador to south Viet Nam, who is now personally stepping up the conduct of such a war there. What is special warfare after all? To put it bluntly, it means a policy of killing all, looting all and burning all applied with modern weapons against the south Vietnamese people; it means massacre, terrorism and atrocities. Now the U.S. aggressors have the effrontery to charge the south Vietnamese people’s armed forces with “terrorist” acts against them at Qui Nhon. This is indeed the height of impudence. Do they really think that the Vietnamese people can forget the colossal debts in blood incurred over the past decade by U.S. imperialism and its puppet cliques in south Viet Nam who killed nearly 200,000, wounded or maimed more than 700,000, and imprisoned 500,000 south Vietnamese people? It is precisely the special warfare of the United States that has taught the south Vietnamese people to follow their present course in dealing with the U.S. aggressors. To use a Chinese saying, this is punishment which they well deserve.

The United States was already violating the Geneva agreements in their totality when it launched its war

Following is a translation of the statement of the Government of the People’s Republic of China issued on February 13, 1965, which exposes the U.S. Government’s attempt step by step to expand the war in Indo-China. It calls on all people of the world to support and assist the people of Viet Nam and Indo-China in their just struggle.—Ed.

On February 11, the United States again sent out more than 150 aircraft which frenziedly strafed and bombed the Vinh Linh, Dong Hoi and Nghe An areas in the Democratic Republic of Viet Nam. Nine of the planes were shot down and many others were damaged by the Vietnamese People’s Army. This was the third air attack on the Democratic Republic of Viet Nam launched within one week by the Johnson Administration of the United States. The U.S. Government is now trying step by step to spread its war of aggression from southern to northern Viet Nam. A war crisis is threatening the peoples of Indo-China and all Southeast Asia.

The Government of the Democratic Republic of Viet Nam issued a statement on February 11 strongly condemning U.S. imperialism for its acts of war and calling on the Vietnamese people to increase still further their vigilance and combat readiness and stand determined to defeat all acts of aggression by the U.S. aggressors and their lackeys against the Democratic Republic of Viet Nam. The Government of the People’s Republic of China and the 650 million Chinese people warmly congratulate the Vietnamese people on their latest brilliant victory, and resolutely and unreservedly support the just stand of the Democratic Republic of Viet Nam.

The pretexts of the United States for its war provocations against the Democratic Republic of Viet Nam are utterly absurd. This was so in previous cases and is particularly so this time.

February 19, 1965
of aggression in south Viet Nam. And now it has gone a step further in wrecking the Geneva agreements by making war provocations against the Democratic Republic of Viet Nam on the pretext that it has suffered beatings in south Viet Nam.

While professing that it “desires to avoid spreading the conflict,” the U.S. Government is in fact trying step by step to expand the war in Indo-China. The U.S. Government is simply day-dreaming to imagine that it could overawe the Vietnamese people by raiding the Democratic Republic of Viet Nam with a few planes. As long as the U.S. aggressors refuse to withdraw from south Viet Nam, the south Vietnamese people will not cease dealing blows at them. Such blows will definitely become all the heavier and not otherwise. The United States will certainly not be allowed to get away unpunished for its war provocations against the Democratic Republic of Viet Nam.

Now that the U.S. bandit chieftain Lyndon B. Johnson has twice personally directed aircraft of the south Vietnamese puppets to bomb the Democratic Republic of Viet Nam, the latter has secured the right to take the initiative in dealing counter-blowes to the south Vietnamese puppets.

The U.S. Government should be reminded that it is the United States which has invaded south Viet Nam in violation of the Geneva agreements and which has now further taken the lead in breaking up the line of demarcation between southern Viet Nam and northern Viet Nam. Do they seriously think that they alone are allowed to do so while others are not? The war will not develop in accordance with a law of their own liking. They boast of the power of their naval and air forces, asserting that once these forces are put into action, people will be frightened and will beg for peace. Their hope lies in making people afraid of them. But they will become utterly helpless when the people resisting aggression, instead of being afraid of them, dare to fight, defy difficulties and advance wave upon wave. They have been taught a lesson on this score in the Korean war. Do they want to have the lesson repeated in Indo-China?

The Chinese people have never entertained any illusions about U.S. imperialism. The Chinese Government has a long ago declared that aggression against the Democratic Republic of Viet Nam by the United States means aggression against China, and that the Chinese people have long been prepared and know how to aid the people of Viet Nam and Indo-China in driving out the U.S. aggressors.

The Chinese Government and people now call on all people of the world opposing U.S. imperialism and all the peoples in the socialist camp to unite and take every possible and truly effective measure to support and assist the people of Viet Nam and Indo-China in their just struggle so as to bring complete defeat to the U.S. aggressors.

Sino-Soviet Treaty Anniversary

Message of Greetings From Chinese Leaders

Moscow

Comrade L.I. Brezhnev, First Secretary of the Central Committee of the Communist Party of the Soviet Union.

Comrade A.I. Mikoyan, President of the Presidium of the Supreme Soviet of the U.S.S.R.

Comrade A.N. Kosygin, Chairman of the Council of Ministers of the U.S.S.R.

On the occasion of the 15th anniversary of the signing of the Sino-Soviet Treaty of Friendship, Alliance and Mutual Assistance, we extend, on behalf of the people, the Communist Party and the Government of China, warm congratulations to the people, the Communist Party and the Government of the Soviet Union.

The Sino-Soviet Treaty of Friendship, Alliance and Mutual Assistance was signed in accordance with the traditional revolutionary friendship of the Chinese and Soviet peoples and their common aspirations for unity in struggle against the enemy. It conforms to the vital interests of the people of China, the Soviet Union, the other countries of the socialist camp and the whole world. The consolidation and strengthening of the great Sino-Soviet alliance is beneficial to the common cause of opposing our common enemy, U.S. imperialism, ensuring the common security of our two countries, preserving world peace and promoting human progress.

-U.S. imperialism is pushing its policies of aggression and war in the whole world and, in particular, is stepping up the arming of Japanese and West German militarism and striving to turn Japan and West Germany into hotbeds and nuclear bases in Asia and Europe for unleashing a new world war. It is arrogantly embarking on the road of adventure in launching an armed aggression against the Democratic Republic of Viet Nam and in further expanding the war in Indo-China. The chief-
tain of the U.S. gangsters who bombed the Vietnamese people has been clamouring for an escalation of the war. This is not only an aggression against the Democratic Republic of Viet Nam, but also an aggression against the entire socialist camp. It is a challenge to peace not only in Indo-China but throughout the world. Present-day events show ever more clearly that U.S. imperialism is the commander-in-chief in the execution of the policies of aggression and war and the most ferocious enemy of the people the world over.

In face of the arch-enemy, the people of our two countries, China and the Soviet Union, and of all other countries of the socialist camp, must rally closely under the revolutionary banner of Marxism-Leninism, under the banner of unity of proletarian internationalism and under the militant banner of combating U.S. imperialism to give resolute support to the armed anti-U.S. struggles of the Vietnamese and other Indo-Chinese peoples, the struggles of the Japanese and German peoples against the arming of Japanese and West German militarism by the United States, the struggles of the people of Cuba and the Congo (Leopoldville) against U.S. armed intervention, and the struggle of the people throughout the world against U.S.-led imperialism's policies of aggression and war and for world peace, national liberation, people's democracy and socialism, until final victory is won. This is the unshirkable internationalist duty of each and every socialist country.

The Chinese people have always upheld the friendship and unity between China and the Soviet Union and have always abided by their commitments under the Sino-Soviet Treaty of Friendship, Alliance and Mutual Assistance. Whatever happens in the world, the 650 million Chinese people will stand firmly by the great Soviet people and all other peoples of the socialist camp.

May the eternal, unbreakable and fraternal friendship between the Chinese and Soviet peoples flourish through all ages!

Mao Tse-tung, Chairman of the Central Committee of the Communist Party of China,

Liu Shao-chi, Chairman of the People's Republic of China,

Chu Teh, Chairman of the Standing Committee of the National People's Congress of the People's Republic of China,

Chou En-lai, Premier of the State Council of the People's Republic of China.

February 13, 1965, Peking.

Message of Greetings From Soviet Leaders

Peking

Comrade Mao Tse-tung, Chairman of the Central Committee of the Communist Party of China,

Comrade Liu Shao-chi, Chairman of the People's Republic of China,

Comrade Chu Teh, Chairman of the Standing Committee of the National People's Congress of the People's Republic of China,

Comrade Chou En-lai, Premier of the State Council of the People's Republic of China,

Dear Comrades,

On the day of the 15th anniversary of the Treaty of Friendship, Alliance and Mutual Assistance Between the Soviet Union and the People's Republic of China, we hereby send you, the Communist Party and Government of China and all the fraternal Chinese people, heartfelt greetings and best wishes in the name of the Central Committee of the Communist Party of the Soviet Union, the Presidium of the Supreme Soviet of the U.S.S.R., the Soviet Government and people and in our own names. This treaty will for ever remain in the history of our countries. It has become a powerful pillar of peace in the Far East and the whole world, and has strengthened the close alliance between the Soviet and Chinese peoples cemented in the long years of common struggle. Our alliance, sealed by the treaty, is an obstacle in the way of the aggressive imperialist groups which are conducting provocations dangerous to the cause of peace and aggravating the international situation. Our Party and the Soviet people believe that the Soviet-Chinese Treaty of Friendship, Alliance and Mutual Assistance will in the future serve as an important factor in guaranteeing peaceful conditions for the victory of the cause of socialism and communism, and contribute to the daily growing solidarity of the forces of peace, democracy and socialism.

The Communist Party of the Soviet Union, the Soviet Government and the entire Soviet people are
determined to strengthen unflinchingly the unity of the socialist camp, and support in every way possible the great revolutionary struggle of the international working class, the anti-imperialist national-liberation movements of the Asian, African and Latin American peoples. As the meeting of the Warsaw Treaty member states has emphatically pointed out not long ago, the socialist countries are united as one in the face of the imperialist threat, and attempts of the imperialist countries to undermine this solidarity are doomed to failure. The brotherly relations between our two countries and between the Communist Party of the Soviet Union and the Communist Party of China, based on the principles of Marxism-Leninism, conform to the interests of our two peoples, the cause of solidarity of the socialist community, and the unity of the world communist movement. It is in our common interests to develop further the traditional friendly relations between our two Parties and peoples and step by step to remove the silt that has accumulated in the past. All-round cooperation between the Soviet Union and China will undoubtedly help us to achieve new successes and promote the growth of the strength and might of the entire world socialist system.

Long live the Treaty of Friendship, Alliance and Mutual Assistance Between the Soviet Union and the People's Republic of China!

May the great brotherhood and unbreakable solidarity of the people of all socialist countries, the militant unity of the Communist and Workers' Parties and all the forces struggling against imperialism, colonialism and capitalism be continuously strengthened!

L. Brezhnev, First Secretary of the Central Committee of the Communist Party of the Soviet Union.

A. Mikoyan, President of the Presidium of the Supreme Soviet of the U.S.S.R.

A. Kosygin, Chairman of the Council of Ministers of the U.S.S.R.

February 13, 1965, Moscow.

Kuo Mo-jo’s Speech

At Peking Rally Celebrating Sino-Soviet Treaty Anniversary

Following is a translation of the speech delivered on February 13 by Kuo Mo-jo, Vice-Chairman of the Standing Committee of the National People's Congress and Vice-President of the Sino-Soviet Friendship Association, at a rally in Peking marking the 15th anniversary of the signing of the Sino-Soviet Treaty of Friendship, Alliance and Mutual Assistance. — Ed.

We gather here today to mark the 15th anniversary of the signing of the Sino-Soviet Treaty of Friendship, Alliance and Mutual Assistance. Please allow me to extend heartfelt greetings to the fraternal Soviet people in the name of the people of China. We warmly welcome the delegation of the Soviet-Chinese Friendship Association lead by Comrade Y.P. Kozhevnikov, which has come to China to take part in the celebrations.

The Sino-Soviet Treaty of Friendship, Alliance and Mutual Assistance signed 15 years ago is a treaty against imperialist aggression and for the defence of peace in the Far East and the world. It conforms to the interests of the peoples of China and the Soviet Union, the people of the countries of the socialist camp and the people of the whole world. Our observing the 15th anniversary of this treaty obviously has great significance today when U.S. imperialism is intensifying its policies of aggression and war and, in particular, when it is recklessly making repeated attacks on the Democratic Republic of Viet Nam, posing a serious threat to Asian and world peace.

At the time the Sino-Soviet Treaty of Friendship, Alliance and Mutual Assistance was signed, U.S. imperialism had already supplanted German and Japanese fascism and was actively pushing forward its plan to enslave the world. In the past 15 years there have been intense struggles between U.S. imperialism and its lackeys on one side, and the revolutionary people of the world on the other.

U.S. imperialism has done its utmost to foster Japanese militarism and support the Japanese reactionaries in their demands for revision of the constitution, signed the Japan-U.S. “Security Treaty” and plotted a Northeast Asia military alliance. U.S. troops have all along been stationed in Japan and have occupied Okinawa for a long time. After sending nuclear-capable aircraft and nuclear missiles to Japan, U.S. imperialism recently sent nuclear submarines to Japan and turned Japan into its nuclear war base. U.S. imperialism has already tied Japan closely to its war chariot, in an attempt to force the Japanese people to act as cannon fodder. In order to achieve its aggressive designs against China's Taiwan Province, Korea and the countries of Southeast Asia, the Japanese reactionaries are acting in collusion with U.S. imperialism and are willing to serve as its cat's-paw. The revival by U.S. imperialism of the aggressive forces of Japan poses a serious threat to the security of China, the Soviet Union and the countries of Asia.

U.S. imperialism actively supports West German militarism and tries in every way to push ahead with
its so-called plan for a multilateral nuclear force in
order to arm West Germany with nuclear weapons.
Encouraged by U.S. imperialism, the West German
militarists are becoming more arrogant. They even
clamour about annexing the German Democratic Repub-
lic and invading the other socialist countries in East
Europe. This not only constitutes a direct threat to the
German Democratic Republic and the other East Euro-
pean socialist countries but also threatens the security
of all European countries.

Recently, in order to avert defeat in south Viet
Nam, U.S. imperialism has stepped up its expansion
of the Indo-Chinese war. Since February 7, U.S. im-
perialism, under direct order from its bandit chieftain
Johnson, has launched large-scale air attacks on the
Democratic Republic of Viet Nam and successively
bombed Quang Binh and Nghe An Provinces and the
Vinh Linh area. Apart from that, it is continuing to
deploy large numbers of naval and air forces and is
shouting about extending the war to north Viet Nam.
Under the valiant counter-blow of the Vietnamese
army and people, the U.S. imperialist war provoca-
tions and military attacks have met with disastrous defeats.
Since U.S. imperialism and its lackeys in south Viet
Nam have adopted war measures against the Demo-
cratic Republic of Viet Nam, the latter has gained the
right to fight back in self-defence. Counter-blows in
self-defence dealt by the people of Viet Nam at any
time and in whatever form against U.S. imperialism
and its running dogs in south Viet Nam are just and
sacred. We once again warn the U.S. aggressors that
aggression against the Democratic Republic of Viet Nam
means aggression against China and the whole of the
socialist camp. We will absolutely not stand idly by
without lending a hand to our fraternal country. The
Chinese people are well prepared to support the Demo-
cratic Republic of Viet Nam in its fighting back against
the U.S. aggressors in self-defence.

U.S. imperialism has stretched its aggressive claws
into many places in Asia, Africa and Latin America.
It draws the reactionary forces of all countries around
it and is engaged in bloody repressions against revolu-
tionary struggles of the peoples of the world. It sends
armed forces to massacre the people in south Viet Nam,
Laos and the Congo (Leopoldville). It instigates its
flunkies to repeatedly encroach on the territory and
sovereignty of Cambodia. It supports British imperial-
ism in creating “Malaysia” which threatens Indonesia
and Southeast Asia as a whole. It backs the Indian
reactionaries in creating trouble with neighbouring
countries. It supports Israel in opposing the Arab
states. Not only is it actively pushing forward neo-colonialism
in Africa; it also supports Britain, Belgium, Portugal
and other old colonialists in maintaining their colonial
rule. U.S. imperialism consistently carries out activi-
ties to control, intervene in, subvert, and commit ag-
gression against Latin American countries. It especially
looks on socialist Cuba as a thorn in its side and is
exerting every effort to destroy that country.

U.S. imperialism also does not let its allies alone.
It is trying hard to tightly control them, and this has
provoked their opposition. The struggle between dom-
inination and the efforts to resist it in the imperialist
camp gets more tense with each passing day.

Facts of the past 15 years have proved that U.S.
imperialism has persistently carried out policies of
aggression and war. From Truman, Eisenhower, and
Kennedy down to Johnson all these bandit chieftains
of imperialism have used the dual tactics of counter-
revolution: while cunningly playing the game of sham
peace, they are actually engaged in adventurous aggres-
sion. What is especially notable is that U.S. imperialism
and the reactionaries of all countries are trying by
every possible means to influence the domestic and
foreign policies of the countries of the socialist camp,
and to split the unity of the socialist countries, especially
Sino-Soviet unity. They always try to infiltrate and
subvert the socialist countries and even vainly hope
to liquidate the socialist camp.

In short, U.S. imperialism has perpetrated every
evil deed. As the 1960 Statement pointed out: “Inter-
national developments in recent years have furnished
many new proofs of the fact that U.S. imperialism is
the chief bulwark of world reaction and an interna-
tional gendarme, that it has become an enemy of the peoples
of the whole world.”

The Statement also pointed out: “U.S. imperialism
is the main force of aggression and war. . . . The
broadest possible united front of peace supporters,
fighters against the imperialist policy of aggression
and war inspired by U.S. imperialism, is essential to
preserve world peace.”

Comrade Mao Tse-tung has said: “The people
of the countries in the socialist camp should unite, the
people of the countries in Asia, Africa and Latin
America should unite, the people of the continents of
the world should unite, all peace-loving countries and all
countries subjected to U.S. aggression, control, interfer-
ence and bullying should unite, and should form the
broadest united front to oppose the U.S. imperialist
policies of aggression and war and to safeguard world
peace.”

This is the present-day Marxist-Leninist revolu-
tionary concept of world strategy. All people and
nations in the world that want revolution and liber-
ation, all countries and people that want to strive for
independence and safeguard sovereignty, and all coun-
tries and people that want to defend world peace must
direct the spearhead of struggle against U.S. imperial-
ism. Marxist-Leninists must place the future of the
people of all countries and the destiny of all mankind
on the unity and struggle by the world proletariat
and by the people of all countries. This is a realistic and
correct path.

U.S. imperialism is riding roughshod and baring
its fangs all over the world, as though it is very power-
ful. Actually, it is merely a paper tiger. The people
of China, Korea and Cuba have all given it a sound
beating. Once again it is suffering repeated defeats at the hands of the heroic people of Viet Nam. Facts have shown that U.S. imperialism is an enemy that can be opposed and defeated. Provided the people of all countries have courage, dare to fight, do not fear difficulties and advance wave upon wave, there is no doubt that U.S. imperialism can be thoroughly defeated. The whole world will belong to the people. Monsters of all kinds shall be destroyed. This is the inevitable law of historical development.

Both China and the Soviet Union are great socialist countries. Our friendship and unity are founded on the basis of Marxism-Leninism and proletarian internationalism, and on the basis of the revolutionary principles of the 1937 Declaration and 1960 Statement.

In their socialist construction and common struggle against imperialism, all the countries of the socialist camp must carry out proletarian internationalist mutual support and mutual aid. Our country has always appropriately evaluated the friendly assistance which the fraternal Soviet Union began to give China in the period under the leadership of Stalin. We have always held that the Soviet people's friendly assistance played a useful role in China's laying the preliminary foundations for socialist industrialization. On this point, the Chinese people have expressed their gratitude on countless occasions. We also wish to point out that in mutual relations between the countries in the socialist camp, aid is always mutual, never unilateral. Not only has China received aid from the Soviet Union, the Soviet Union in turn has also received aid from China.

The friendship and unity of the socialist countries must be tempered and tested in the struggle against the common enemy, and especially in the struggle against U.S. imperialism and its lackeys. Only by such tempering and testing can our friendship and unity be consolidated and developed.

In our socialist camp composed of 13 brotherly countries, fraternal Viet Nam, Korea, Cuba, the German Democratic Republic and Albania stand in the forefront of the struggle against U.S. imperialism and its lackeys. They are shouldering the arduous tasks of fighting U.S. imperialism at the outposts. Their struggle is precisely the struggle to defend the socialist camp and the struggle to safeguard world peace. It is the unshirkable duty of every socialist country to share the bitter and sweet with these fraternal countries and to support their struggle. All socialist countries that persist in proletarian internationalism should firmly defend the socialist camp as a whole, preserve the unity, based on Marxism-Leninism, of all the countries that form the camp, and uphold the Marxist-Leninist lines and policies that a socialist country must follow.

Asia, Africa and Latin America have become the present storm centres of world revolution. All the countries in the socialist camp must resolutely support the revolutionary struggles of the people there. We must also support the revolutionary struggles of the people in Europe, North America and Oceania. We must oppose the anti-communist, anti-people's and counter-revolutionary policies of the reactionaries of all countries. The liberation struggles of the oppressed people and nations of the world are the most reliable support for the socialist countries.

The Chinese people warmly congratulate the fraternal Soviet people on every brilliant achievement they make in the cause of socialism. We rejoice over each achievement of the Soviet people.

The Chinese people of all nationalities, under the leadership of the Chinese Communist Party and Chairman Mao Tse-tung, have resolutely and consistently carried out the Party's general line for building socialism. They are united as one, working hard and forging ahead by relying on their own efforts. We have greatly improved the system of the people's communes, achieved a new leap forward in quality and variety of industrial products, and successfully exploded our first atom bomb. We have overcome the difficulties of a few years ago. Our national economy has made an all-round improvement and is entering a new stage of development. All this adds immensely to the might of our country and strengthens the entire socialist camp and the forces in defence of world peace. We will continue to pursue resolutely and consistently the general line guiding our country's foreign policy; that is, to develop relations of friendship, mutual assistance and co-operation among the countries of the socialist camp in accordance with the principle of proletarian internationalism; to strive for peaceful coexistence with countries with different social systems on the basis of the Five Principles and to oppose the imperialist policies of aggression and war; and to support the revolutionary struggles waged by all the oppressed people and nations.

The Chinese people have all along striven to consolidate Sino-Soviet unity and strengthen Sino-Soviet friendship and alliance. The Chinese Government and people, consistently loyal to the Sino-Soviet Treaty of Friendship, Alliance and Mutual Assistance, have earnestly fulfilled the obligations stipulated in the treaty. We always hold that any words and deeds detrimental to unity between the Chinese and Soviet peoples will not be countenanced by the Chinese people, nor by the Soviet people, nor by the revolutionary people all over the world. The Chinese people will for all time remain the trusted brothers of the great Soviet people, in all circumstances, in storm and stress.

Let us march forward shoulder to shoulder in the common struggle against U.S. imperialism and its lackeys, for world peace, national liberation, people's democracy, and socialism!

Long live the great friendship and unity between the Chinese and Soviet peoples!

Long live the great unity among the people of all countries in the socialist camp!

Long live the unity of the people throughout the world!
Struggle to Safeguard Sino-Soviet Unity

Following is a translation of the editorial published by “Renmin Ribao” on February 14 celebrating the 15th anniversary of the signing of the Sino-Soviet Treaty of Friendship, Alliance and Mutual Assistance. Boldface emphases are ours.—Ed.

TODAY is the 15th anniversary of the signing of the Sino-Soviet Treaty of Friendship, Alliance and Mutual Assistance. The Chinese people warmly celebrate this occasion together with the people of the Soviet Union. We would like to take this opportunity to extend fraternal greetings to the great Soviet people.

This treaty signed 15 years ago is the crystallization of the militant friendship between the Chinese and Soviet peoples which developed in the course of protracted revolutionary struggles. The treaty stipulates: “Both Contracting Parties undertake jointly to adopt all necessary measures at their disposal for the purpose of preventing the resumption of aggression and violation of peace on the part of Japan or any other state that may collaborate with Japan directly or indirectly in acts of aggression.” The treaty also stipulates that each Contracting Party “undertakes, in a spirit of friendship and cooperation and in conformity with the principles of equality, mutual benefit and mutual respect for the national sovereignty and territorial integrity and non-interference in the internal affairs of the other Contracting Party, to develop and consolidate economic and cultural ties between China and the Soviet Union.” This treaty is of tremendous significance in opposing the fostering of the Japanese militarist forces by the U.S. imperialists, in opposing U.S. implementation of its policies of war and aggression in the Far East and Asia, in safeguarding Asian and world peace and in strengthening Sino-Soviet co-operation in the political, military, economic and cultural fields.

The world situation has undergone profound changes during these 15 years. These changes are mainly manifested in the fact that the national-democratic revolutionary movement in Asia, Africa and Latin America and the international socialist revolutionary movement have become the two great historic tides of the present era. These two great historic tides are crashing at the foundations of the rule of the world’s reactionary forces led by U.S. imperialism; they have brought about an excellent revolutionary situation in which the East wind prevails over the West wind.

The nature of imperialism will never change. Make trouble, fail, make trouble again, fail again till its doom — this is its logic. Although U.S. imperialism suffers repeated, telling blows at the hands of the people of the world, it has not become “sensible” as some people hope. On the contrary, it has become more desperate in pushing its policies of war and aggression.

In an attempt to turn Japan and West Germany into its key nuclear bases, U.S. imperialism is redoubling its efforts to foster the Japanese and West German militarists. It has sent nuclear missiles and nuclear-capable aircraft into Japan and its nuclear submarines have docked at Japanese ports. U.S. imperialism is also planning to put nuclear weapons in the hands of the West German revanchists through the so-called multilateral nuclear force plan. In so doing, U.S. imperialism is obviously trying to use Japan and West Germany as its tools for starting a new war.

U.S. imperialism is on the rampage in Asia, Africa and Latin America, vainly trying to stifle the revolutionary movements of the oppressed nations and peoples. Its hands are dripping with the blood of the south Vietnamese, Laotian, Congolese (Leopoldville), Cuban and other peoples.

Lately, Lyndon Johnson, ringleader of U.S. imperialism, has brazenly and repeatedly given orders for attacks on the Democratic Republic of Viet Nam. Aircraft of the United States and the south Viet Nam puppet clique have bombed areas north of the 17th Parallel; the line of demarcation between southern and northern Viet Nam has thus been broken and the war in Indo-China extended. U.S. military provocations against the D.R.V. are provocations against the entire socialist camp. Riding the high horse, U.S. imperialism is striking an attitude that is intended to terrify people. But what is so terrible about that? We want to remind the U.S. imperialists: the people of the whole world, particularly the people of Asia, have all seen the miserable spectacle you presented when you were battered and beaten on the battlefields of Korea and south Viet Nam; they have also seen the poor show of force you put up by mustering a few dozen warships in the Taiwan Straits and in and near the Gulf of Bau Bo. Now you are again trying to frighten people with the same tricks. This is ridiculous indeed! To put it bluntly, the initiative is not in your hands. Now that you have unleashed the south Viet Nam puppet clique, the D.R.V. has got the right to hit back at these puppets; since you have introduced into south Viet Nam so many American troops and so much military equipment, we have got the right to go to the assistance of our fraternal neighbour in every possible way. Should you really dare to try your strength, the people of Viet Nam, China, the other socialist countries and the rest of the world will certainly not let you get away with it.

The Sino-Soviet Treaty of Friendship, Alliance and Mutual Assistance, which was signed with a view to opposing U.S. imperialist policies of aggression and war, played its role in the past. Today, U.S. imperialism is still afraid of the treaty and is trying by hook or by crook to undermine it. What the enemy fears is pre-

February 19, 1965
Following is a translation of Vice-Premier Chen Yi's speech at the reception given by the Soviet Embassy to mark the Sino-Soviet treaty anniversary.—Ed.

FIFTEEN years have passed since the Sino-Soviet Treaty of Friendship, Alliance and Mutual Assistance was signed. Today, we are very happy to celebrate this common joyous occasion of great Sino-Soviet friendship and unity together with our Soviet comrades. Please allow me, on behalf of the Chinese people, the Chinese Communist Party and the Chinese Government, to extend warm greetings to the fraternal Soviet people, the Communist Party of the Soviet Union and the Soviet Government.

The Sino-Soviet Treaty of Friendship, Alliance and Mutual Assistance embodies the militant friendship of the Chinese and Soviet peoples which was formed through protracted revolutionary struggles. The treaty opposes imperialism and its followers. Facts over the past 15 years have proved that consolidation and strengthening of the great Sino-Soviet alliance conforms to the interests of the Chinese and Soviet peoples, of the people of all other countries in the socialist camp and of Asian and world peace. Weakening or sabotaging this alliance would only benefit imperialism headed by the United States and the reactionaries of all countries.

The past 15 years saw great development in the world's revolutionary forces. More than ever before, U.S. imperialism has become isolated, lost its initiative and is subjected to punishment. However, U.S. imperialism has by no means become sensible. The peaceful coexistence advocated by the U.S. Government is a fraud and its so-called arms reduction is also a sham. What it pursues in fact is all-round, complete expansion of arms and it commits aggression everywhere. The United States is intensifying its arming of Japanese and West German militarism. It has been carrying out armed intervention in Cuba and the Congo (Leopoldville). Recently Johnson, the U.S. bandit chieftain, personally ordered the bombing of the Democratic Republic of Viet Nam, thereby expanding the war in Indo-China. U.S. imperialism is the most ferocious enemy of the people of the whole world.

It is the urgent task of the world's people today to oppose U.S. imperialism and its followers. Peaceful coexistence with U.S. imperialism, which is pushing its policies of aggression and war, is out of the question; it is imperative to wage a tit-for-tat struggle against it. All the revolutionary people throughout the world, who oppose U.S. imperialism and its followers, are our friends. It is the unshakable internationalist duty of the socialist countries to give all-out support to the world's people in their anti-U.S. revolutionary struggle.

What U.S. imperialism and the reactionaries of various countries understand is action. Only by concrete action against U.S. imperialism and its followers can the Sino-Soviet alliance be tested and tempered and can Sino-Soviet unity be consolidated and developed. Imperialism and the reactionaries of all countries hope that the Sino-Soviet Treaty of Friendship, Alliance and Mutual Assistance becomes just a scrap of paper. We should answer them with concrete action.

Taught and guided by the Chinese Communist Party and Chairman Mao Tse-tung, the Chinese people have always held dear and safeguarded Sino-Soviet friendship and unity and regarded the Soviet people as their brothers and comrades-in-arms. The Chinese people always have admired the glorious revolutionary tradition of the great Soviet people and rejoice over the achievements of the Soviet people. China has always remained faithful to its commitments under the Sino-Soviet Treaty of Friendship, Alliance and Mutual Assistance. Our attitude has stood the test for the past 15 years and will, in the future, unfailingly continue to do so. We will continue our efforts to defend unity based on Marxism-Leninism and proletarian internationalism and unity based on the revolutionary principles of the 1957 Declaration and the 1960 Statement. The Soviet people may rest assured that in storm and stress the 650 million Chinese people will stand firmly by the Soviet people and by the people of all other countries in the socialist camp.

cisely what we treasure. We will continue to make the treaty play its part in the struggle against U.S. imperialism and its stooges.

History has proved that all who try to undermine the alliance and unity between China and the Soviet Union, no matter what their banners or signboards, will inevitably get their skulls cracked and meet with utter failure.

The only basis for unity between the countries of our socialist camp is Marxism-Leninism and proletarian internationalism, and the revolutionary principles of the 1957 Declaration and the 1960 Statement. The general line of the international communist movement, which the Central Committee of the Communist Party of China proposed in the form of a summary on June 14, 1963, is completely in accord with Marxism-Leninism and with the revolutionary principles of the Statement and the Declaration. That general line proceeds from the actual world situation taken as a whole and from a class analysis of the fundamental contradictions in the contemporary world; it is directed against the counter-revolutionary global strategy of U.S. imperialism.

In "A Proposal Concerning the General Line of the International Communist Movement," we have clearly stated that the socialist camp is the outcome of the struggles of the international proletariat and working people. It belongs to the international proletariat and working people as well as to the people of the socialist countries. In order to exert a decisive influence on the course of human history, the socialist camp should:
Whither the United Nations?
Commentary on de Gaulle's February 4 press conference
by OBSERVER

Following is a translation of an article published by "Renmin Ribao" on February 15. Boldface emphases are ours.—Ed.

WHAT President Charles de Gaulle of France said at his press conference on February 4 has caused worldwide repercussions. Some persons immediately jumped upon him with a spate of abuse or objections; some others endorsed from different angles what he said; still others kept quiet but were inwardly happy or annoyed. We also have opinions of our own.

General Charles de Gaulle is a bourgeois statesman and has a world outlook of his own. His views on various problems will in no way run counter to his class interests. But this does not prevent him from making realistic and objective judgments on some major international problems. This was proved at the conference by his criticism of the United Nations and the international monetary system of the capitalist world.

The majority of countries in the world are dissatisfied with the United Nations as it is. Dominated and manipulated by the United States, it has been doing many evil things to the socialist countries. It has been steadily impairing and infringing upon the independence and sovereignty of Asian, African and Latin American countries. It only takes orders from the United States and holds other member states in contempt. Unable to stomach such humiliation any longer, Indonesia resolutely withdrew from the United Nations. And now President de Gaulle's criticism shows that even within the NATO bloc there is the view that an end should be put to the state of affairs in which the United Nations is run by the United States.

Who has the final say in the United Nations now? The United States. As a matter of course, all member states of the United Nations should be equal irrespective of their size or the continent to which they belong. Most of the member states are small and the Asian

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and African countries account for more than half the membership. Yet the place occupied by the Asian and African countries in the United Nations is not in the least commensurate with the part they play in international affairs. With the exception of Japan and India which trail behind the United States, the other Asian and African countries have virtually no say in the United Nations. What they say receives little attention. They are often insulted and the injured in the United Nations. Cambodia's complaint against the United States and its flunkies and Panama's appeal for the recovery of its sovereign rights over the Canal Zone ended up in nothing definite or even brought unfounded counter-charges.

What about the "big powers"? The People's Republic of China has to this day been kept out of the United Nations Organization. As to Britain, France and the Soviet Union, though they are permanent members of the Security Council, they in fact cannot do much. Occasionally their proposals are adopted but only when they accord with or at least do not run counter to the interests of the United States.

The United States uses the United Nations to promote its evil designs. Whether you approve of them or not, you have to foot the bill. Otherwise, you will be labelled a violater of the U.N. Charter and categorically denied the right to vote. "I am the United Nations!" Such is the attitude of the United States towards this international body.

The United Nations has degenerated into a tool in the hands of the United States used to advance neo-colonialism. Wherever the blue-and-white flag of the United Nations is hoisted, there side by side with it is the stars and stripes of the United States. The U.S. aggression against Korea was a case in point.

U.S. imperialism uses the United Nations not only to oppose the socialist countries and commit intervention in and aggression against the nationalist countries, but also to edge out and injure its allies. This was most glaring in the case of the Congo (Leopoldville). The people of the Congo (L) had risen to fight for independence and freedom and rid their country of the old colonialist forces. But through the instrumentality of the United Nations, the United States undermined the national independence of that country, took the place of the old colonialists and seized the country itself.

De Gaulle pointed out that the United Nations "intervened in the internal situation of the Congo" and "in fact served the intentions of a great power." Is not this true?

De Gaulle's statement on the United Nations hit the Johnson Administration where it hurts most. Hardly had the Paris press conference ended and hardly had Johnson had the time to read the full text of de Gaulle's statement when he hastily called his Washington press conference in order to come out against it.

Meanwhile, Adlai Stevenson, chief U.S. delegate to the United Nations, gave vent to his spleen by attacking China, saying that "there is strong leadership from the communist Chinese to break up the organization." Mr. Stevenson, aren't you too modest? It is you Americans who are breaking up the U.N., not we Chinese. How dare we claim credit for this?

De Gaulle said that it was precisely because the United States had taken a whole series of lawless actions that "it has deprived it [the U.N.] of its unity, its prestige and its capability of functioning. There is the crisis in which it has now sunk." Mr. Stevenson, why aren't you bold enough to answer directly this just condemnation by General de Gaulle?

Today, from East to West, voices demanding the thorough reorganization of the United Nations are growing louder and louder and various formulas have been put forward.

As early as 1960, President Sukarno advocated the reorganization of the United Nations. Not long ago Premier Chou En-lai said that the United Nations must correct its mistakes and be thoroughly reorganized and that a revolutionary United Nations may well be set up to stage rival drama in competition with the present one. Now, President de Gaulle has proposed that the five big powers, China, the U.S.S.R., France, Britain and the United States, meet to discuss the problem of the United Nations. Dr. Subandrio, First Deputy Prime Minister and Foreign Minister of Indonesia supplemented this proposal by suggesting that such a meeting should be attended by the new-emerging countries. Governments or heads of state of some other Asian and African countries also hold that the United Nations has committed too many mistakes and should be reorganized.

These formulas, though different, have one point in common, that is, they all demand an end to U.S. domination and manipulation of the United Nations. Recently even the British pacifist Bertrand Russell has also advocated that the United Nations should condemn the United States as an aggressor nation.

The United Nations just cannot go on as it is now. It must correct its mistakes and be thoroughly reorganized. This is the universal desire and the irresistible trend of today. Either the United Nations corrects its mistakes and is thoroughly reorganized in accordance with the desire of the peoples, or it continues to submit to the dictates of the United States and thereby commits suicide. There is no other way out.

In his speech de Gaulle also called for an end to the dominating position of the dollar in the capitalist world and for the reform of the international monetary system. He stressed the need for a return to the gold standard, saying that the international monetary market was losing confidence in the dollar and that the dollar should no longer be accepted as a medium of international payment which gave the United States a "unilateral facility."

De Gaulle's call has so alarmed the Johnson Administration that its Treasury Department immediately issued a statement saying: "In no event would any solution be acceptable" that involved a change in the international monetary system. But a person with a swollen face cannot pose as a fat man. The United States can hardly make both ends meet and its debts are piling...
up. Yet it tries to throw its weight around and lord it over others. Doesn’t this show Washington’s complete ignorance of its limited capabilities?

Whether the Johnson Administration likes it or not, the truth is that the dominant position of the dollar in the capitalist world, like that of the United States in the United Nations, has been shaken to its very foundations. The United States is finding it increasingly difficult to use its erstwhile privileges to continue to dominate and squeeze the West European and other capitalist countries and shift the burden of its economic crisis on to others. De Gaulle’s bold challenge to the dollar hegemony accords with the interests of not only France but also the other West European countries. This move of de Gaulle’s shows that if the West European capitalist countries have the courage to follow an independent policy, they can oppose, boycott and crack apart the colossal of the dollar empire, which is outwardly strong but inwardly hollow. In this sense, de Gaulle has set for the other West European countries an example of daring to defy U.S. domination.

Of course, true to the nature of the class he represents, de Gaulle levelled at the conference many slanderers and attacks on the socialist countries and on communism. He openly advocated “adequate evolution” in the socialist countries of Europe. De Gaulle is a representative of the French monopoly capitalists. His anti-communist statements exposed the common nature of the international monopoly capitalists. The revolutionary people of the world should never have any misconception about this.

In general, what de Gaulle said at the conference reflects an important trend in the present international situation. Gone is spring as fallen flowers are carried away by the stream. And gone is the epoch of U.S. hegemony in the capitalist world. U.S. imperialism is opposed not only by the peoples of the world but also by its allies whom it bullies and oppresses. The present isolation of U.S. imperialism has no parallel in the past. It is entirely possible to defeat this ferocious enemy if the peoples of the socialist camp, the peoples of Asia, Africa and Latin America, the people of all the continents of the world, all countries cherishing peace, and all countries subjected to U.S. aggression, control, intervention and bullying unite in struggle against it.

American Survey

Conditions Are Ripening for a New Economic Crisis in U.S.

by MENG YUNG-CHIEN

What are the prospects for the U.S. economy? This is one of the major domestic problems facing Lyndon Johnson, the newly inaugurated President of the United States. In his State of the Union Message, Johnson emphasizes that the first basic task of domestic policy is to “ensure continued prosperity.” But there are many Americans who are not at all confident about the economy, and there are even some who openly predict that a new economic crisis will occur in the autumn.

The question of whether there will be continued prosperity or a new crisis is worthy of close attention, because one or the other would have a very different impact on developments in the current international situation. If all aspects of the situation in the United States are taken into account, one should say that conditions are ripening for a new economic crisis, and that once it breaks out it could be more severe than any of the previous post-World War II crises.

Economic Crisis and Economic Cycle

It is a law of development of capitalist economic cycles that prosperity invariably gives rise to the outbreak of a new crisis. Since the end of the 1960-61 crisis, the United States has gone through a fairly prolonged economic boom, and the conditions for a new crisis are ripening. How long a boom will last before a crisis breaks out is a question needing constant study. The history of the development of economic cycles in the United States shows that a boom rarely lasts more than five years. For instance, in the twenties after World War I, there was a three-year interval between the 1921 and 1924 crises, and during the period of the relative and temporary stabilization of capitalism, there was a five-year interval between the crises of 1924 and 1929. In the thirties, the 1937-38 crisis also broke out five years after the crisis of 1929-32, but there was a depression of a special kind in the five-year interval between the two. After World War II, the cycle became very much shortened, and so did the period of prosperity. Following the 1948-50 crisis, the increase in production lasted 45 months; after the 1953-54 crisis, it lasted 35 months; after the 1957-58 crisis, it lasted only 25 months. It is true that the upswing of the cycle lasted longer after the 1960-61 crisis, but four years have passed since production reached its trough in January, 1961, and beginning from this February the boom is entering its fifth year. Hence, generally speaking, it is probable that another economic crisis may break out in the United States this year.

One special feature of the present boom is that while production has increased considerably, the ex-
pansion of the market is not based on a corresponding increase in effective demand, i.e., demand backed up by ability to pay, but rests primarily on credit expansion. This shows that the conditions for reproduction on an enlarged scale have deteriorated and contradictions between production and markets are more acute than ever. This is an important factor that could precipitate the outbreak of a new crisis.

However, the crisis may be delayed under the following conditions: One, if the factors contributing to the upswing remain effective, the outbreak of a crisis might be put off for a short period, say, for one year, but the more its onset is delayed, the more severe the crisis will be when it does come. Two, if Washington creates a serious international incident, such as expanding the war in south Viet Nam, this might also delay the outbreak of a crisis. In that event, the United States would have to face a crisis far more serious than an economic one alone.

Excess of Productive Capacity

A serious excess in U.S. productive capacity had already manifested itself during the 1957-58 crisis. Since 1958, and especially in recent years, productive capacity has registered another striking increase. Take investment in fixed capital for instance. U.S. investment in plant and equipment in 1964 ran up to $44,200 million, or 18 per cent above that of 1957, the previous peak of investment prior to the sixties. Between 1961 and 1964 such investment reached a total of $155,100 million, the highest on record for any postwar boom.

These heavy investments greatly expanded the production of capital goods in 1961-64 and temporarily expanded as well the market for the products of Department I (means of production). The result, however, will be a still more serious excess of productive capacity. Yet U.S. monopoly capital continues to make these large investments because there is a huge surplus of capital which cannot find many profitable fields of investment. The monopoly capitalist groups, which are engaged in acute competition at home and abroad, find it necessary to invest heavily and reequip their plants with the most up-to-date technology in order to strengthen their competitive position in a shrinking home and world market. Such measures taken by the Federal Government as tax cuts, depreciation allowances, etc., also contribute in no small part to the recent increase in investment in plant and equipment. All this hastens the ripening of the conditions for a new crisis of overproduction.

Acute Contradictions Between Production and Markets

As regards the production of consumer goods, residential construction and the production of household appliances and durable goods such as automobiles also registered a fairly large gain in the 1961-64 period. Between 1961 and the third quarter of 1964, 5,460 thousand residential units were built, the highest postwar boom record. There was also a corresponding growth in the production of durable household appliances. Automobil production in 1964 approached its 1955 postwar peak.

But there is a great contradiction between rising production and shrinking markets, as the relative and absolute impoverishment of the American people is becoming more serious. Take unemployment for instance. Official U.S. statistics give the number of unemployed in the United States as more than 4 million. The actual number, however, is anywhere from 70 to 100 per cent greater. Besides, there are 4 million workers who work only one to 14 hours a week; the conditions of these workers are hardly better than those of the unemployed. The number of semi-employed who work 15-34 hours a week is over 8 million. According to G. Ackley, the economic adviser to the President of the United States, the number of "technologically unemployed" (workers displaced by machinery) created each year amounts to 2 million. This is one important reason why unemployment and poverty in the United States is a serious problem. The former economic adviser to the President, L. Keyserling, has estimated that 77 million, or more than two-fifths of the population, are living in poverty and deprivation, while the conditions of the Negro people are the worst of all.

In these circumstances, the purchasing power of the American masses is bound to shrink. Hence, the very acute contradiction between production and markets. Today, 80 per cent of the houses and 70 per cent of the cars are bought through instalment payments. Instalment payments have become part of the "American way of life," and many necessities -- especially durable but also some non-durable ones -- are procured through instalment payments. Private debts in the United States have consequently risen very sharply. They have now reached $378,000 million, involving an annual interest of over $15,000 million. Today, 70 per cent of American families are in debt and their payments of both principal and interest account for 21 per cent of their income after tax. It is obviously a precarious state of affairs when the growth in production of durable consumer goods rests mainly on the expansion of consumer credit. As the expanded reproduction of consumer goods is not carried on in a normal way, it cannot but affect adversely the expanded reproduction of capital goods.

Adverse Effects of Arms Drive

As the stimulative effects of the arms drive on the economy are very much weakened, their adverse effects become ever more pronounced. Between 1961 and 1964 direct U.S. military expenditures totalled $215,000 million, which not only far exceeded such expenditures in the boom periods before the crises of 1960-61 and 1957-58, but was $70,000 million more than the military expenditures during the war of aggression against Korea. Present-day military production is devoted mainly to the manufacture of ultra-modern weapons and has stimulated the development of such related industries as electronics, high-grade alloys, chemicals, precision instruments. But it no longer acts as a general stimulus to basic industries such as steel and

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machine tools. So there is a great difference between present-day arms production and that during World War II or in the days of the Korean war.

The militarization of the U.S. economy in the 25 years from 1939 to 1964 has had extremely serious consequences, not only economically but also financially. Take the question of income tax as an illustration. The number of tax-payers, which was only 3.9 million on the eve of World War II, has gone up to 60 million, or almost as many people as are now employed. The income tax has in effect become a kind of poll tax. In fiscal year 1963, the tax revenues of the U.S. Government at all levels totalled $150,200 million, an average of $634 per head. If all the direct and indirect levies are included, they took away almost one-third of the workers' earnings. The tremendous increase in government spending has correspondingly reduced the purchasing power of the people and must therefore exert an adverse effect on the economy. The Federal Government is deeply in debt, totalling $355,500 million. It has to issue $160,000 million of government bonds annually to refund the old ones falling due. The U.S. Treasury is thus in a constant state of tension. In such circumstances, it becomes more and more difficult for the U.S. Federal Government to increase its budget for military expenditures, and the stimulating effect of arms production on the U.S. economy will not be very much enhanced, unless there is a sudden and drastic change in the international situation. In point of fact, although heavy arms expenditures constitute a constant and indispensable factor in the U.S. economy, they are no longer a powerful factor for boosting production.

"Towards the Brink of Financial Disaster"

One major factor contributing to the present growth of production is credit inflation. The over-expansion of credit is creating conditions for the simultaneous outbreak of an industrial and a financial crisis. Today, U.S. indebtedness, both private and public, totals as much as $1,280,000 million, about 2.7 times the 1945 level and twice as much as the present gross national product. The United States is now the country with the biggest debts in the capitalist world.

The monetary problem in the United States is also serious. The volume of U.S. currency increased by 15 per cent in the four years between 1960 and 1963, and rose by another 4.2 per cent in 1964. In the same period the velocity of circulation of money has greatly increased. The Magazine of Wall Street last November noted that the annual rate of increase in the velocity of circulation of money was already equivalent to that in 1928 (25 per cent), on the eve of the 1929 crisis. In the last four years, the ratio between the increase in bank loans and that in bank reserves has been 100 to 1. The ratio of time deposits to demand deposits has been reduced to one to one. Bank reserves are very weak and are approaching the situation existing on the eve of the crisis of 1929. The same magazine further noted:

It is clear, then, that the present economic expansion has been stimulated by an irresponsible monetary policy.

At the very moment when, as a nation, we should have been facing up to the consequences of the inflation-generated distortions in our economy, our leadership "conned" us into forced economic growth by continued deficit spending and credit expansion. In so doing, we have, to be sure, extended our prosperity, but we have also forced the banking system well up towards the brink of financial disaster.

Once a severe economic crisis breaks out in the United States, the high degree of credit inflation will have grave effects. The ability to repay the huge individual debts (including home mortgages and consumer credit) and corporate debts will have necessarily be subjected to a serious test in time of crisis. The excessive load of debt will lead to a series of chain reactions and pose a serious threat to the financial agencies of the Federal Government. The U.S. Government, in addition to its Federal Reserve banks, has also set up various financial agencies engaged in guaranteeing business. They actually assume all kinds of risks for monopoly capitalist enterprises, including deposits and loans, real estate speculation, overseas investments, exports, and so forth. The guaranteed debts and other obligations of these agencies amount to a total of around $347,500 million, but their reserves are quite limited. For instance, the Federal Deposit Insurance Corporation has guaranteed debts to the tune of $192,000 million, while its reserves amount to only $1,200 million. The Federal Savings and Loan Insurance Corporation's guaranteed debts total $88,000 million and its reserves only $1,100 million. U.S. News & World Report last December pointed out that defaults would rapidly increase in a depression, and that the government would be called on to meet billions of dollars in payments. This would pose a very serious problem for the simple reason that the Federal Government, besides being responsible for over $300,000 million of the debts of monopoly capitalist enterprises, is itself in debt to the extent of another $300,000 million in the form of government bonds. All this shows that although U.S. finance capital appears to be very powerful, in fact it is overextended and is not strong enough at present to weather a storm.

Dollar Crisis

It is well known that the United States is in a predicament over its international payments. Beginning from the fifties, the United States has had an unfavourable balance of international payments every year except in 1957; the gold outflow and short-term liabilities to foreigners have constantly increased. Before the war, in 1938, the U.S. gold reserves were 7.3 times its short-term foreign liabilities; in postwar 1949 this ratio dropped to 3.8 to 1 and in 1959 to one to one (i.e., gold reserves were $19,500 million and short-term liabilities $19,400 million). In recent years, the United States has been trying hard to reduce its unfavourable balance of payments, adopting a number of measures to this end. Nevertheless, its gold reserves have dropped from $17,800 million in 1960 to the present figure of $15,100 million; in contrast, short-term
liabilities to foreigners have gone up from $21,300 million to $28,000 million; thus, the gap has now widened to a total of $12,900 million. Moreover, of the $15,130 million gold reserves, more than $13,000 million are required to be put aside as a reserve for Federal Reserve notes and deposits, so that the actual amount that can be drawn on is only $1,900 million. The U.S. Treasury announced on January 8 that action must be taken to change the 25 cent gold reserve provision. This reveals that the sterling crisis of last November that shook the financial markets of the capitalist world, and France's decision to withdraw from the gold exchange standard system also pushed the dollar to the brink of another crisis.

There are two forms of monetary crisis. One form takes place in the course of an industrial and commercial crisis: because of the lack of means of payment and the great amount of unsaleable goods in stock, there are a large number of failures in industry and commerce; money is extremely tight and commodities cannot be transformed into money. The other form of monetary crisis is not directly connected with the process of reproduction, and manifests itself as, e.g., a stock exchange crisis, a dollar crisis or sterling crisis resulting from an unfavourable balance of international payments; such crises react indirectly in industry and commerce. Conditions for the outbreak of the first form of monetary crisis are ripening in the United States today. As for the second form of monetary crisis, it has occurred before (for example, the 1960 gold and dollar crisis and the 1962 stock exchange crisis) and may occur again and more acutely before long. Under existing conditions, a monetary crisis be it directly or indirectly connected with the process of reproduction, is likely to make the new economic crisis more severe than the previous ones since World War II.

On the Fall in Commodity Prices

In the 19th century, commodity prices fell sharply when a crisis of overproduction took place. In the era of monopoly capitalism, when monopoly prices are set and maintained by monopoly capital, commodity prices register a sharp decline only when there is a major crisis, as in 1929-33. During the postwar crises in the United States, no sharp fall in commodity prices took place. In the 25 years since World War II, U.S. monopoly capital has invariably maintained monopoly prices and has continually raised the prices. Prolonged monetary inflation has also contributed to this upward trend. As a result of this development, the contradiction between monopoly prices and the purchasing power of the people is greatly sharpened.

The Magazine of Wall Street dealt with the seriousness of this kind of situation at the time of the 1962 stock exchange crisis. It pointed out that commodity prices are bound to decline after a long period in which they have been rising. When pre-monopoly capitalism reached its peak in the 19th century, wholesale prices in the United States fell by 66 per cent between 1864 and 1896; after the end of World War I they dropped by 45 cent; in the crisis of the 1930s, they dropped to the pre-World War I level of 1913. The Magazine emphasized that the prolonged price increase after World War II would inevitably lead to a drastic fall. In gauging the seriousness of a crisis it is important to note whether or not a sharp price decline occurs. Thus, whether or not the conditions are ripening for a sharp fall in prices in the United States is a question deserving our attention. If a new crisis breaks out in the course of which prices fall sharply, it will be a sign that the new crisis may be as serious as that of the 1930s.

Economic Crisis of the Capitalist World

From what has been said above, it can be seen that the conditions leading to an economic crisis in the United States are not only maturing, but are also serious in character. How serious such a crisis will be, however, is not only determined by the domestic situation within the United States, but by the general economic situation in the capitalist world. The outbreak of an economic crisis in the United States will have profound effects on the entire capitalist world. But an economic crisis in the United States could not be a grave one, unless conditions were also ripe for a world economic crisis. Today, in the light of the situation both in the principal capitalist countries and in countries exporting primary commodities, such conditions are ripening. The recent fall of primary commodity prices is a signal.

If economic crises break out one after another in Western Europe, Japan and the United States within the same period, they will form an economic crisis embracing the capitalist world. Judging from the general trend of postwar economic development in the capitalist world, it is likely that following the world crisis of 1957-58, another capitalist world crisis may break out in the latter half of the 1980s. It may be more serious than that of 1957-58, and probably may be a major economic crisis like that of 1929-33.

* * *

Capitalist reproduction is not simply material reproduction but also the reproduction of capitalist relations of production. Likewise an economic crisis is not merely an outbreak of economic contradictions. It inevitably aggravates class contradictions and further intensifies the class struggle and the struggle among the monopoly capitalist groups. But monopoly capital always tries its hardest to shift the burden of the crisis on to the masses of the working class, the labouring people and the people in the colonies and semi-colonies. Thus, a severe capitalist world economic crisis will most probably bring about a new revolutionary upsurge in the capitalist world, and especially in Asia, Africa and Latin America.

In seeking a way out of a crisis, monopoly capital always intensifies its attacks on the working class at home, steps up expansion abroad, and prepares for war adventures. In the face of such a situation, it is of great importance to be vigilant against fascism, aggression and war.
Hunting Down the Paper Tiger in Viet Nam

by WEN YAO-CHIN

The aggressive tentacles of U.S. imperialism in Viet Nam have been effectively stamped on. The White House had calculated that wanton air attacks on the Democratic Republic of Viet Nam would frighten and panic the revolutionary people in Viet Nam, and therefore, by bluffing, hoped to change its paper tiger image before the eyes of the world. But the D.R.V.'s resounding rebuff and the south Vietnamese people's continued successes, which have resulted in heavy enemy casualties, have both more clearly revealed U.S. imperialism for what it is.

On February 7, groups of U.S. bombers and F-100 jet fighters bombed and strafed many places in the Democratic Republic of Viet Nam for the third time in a week. And, as when 13 U.S. aircraft were shot down in raids on February 7 and 8, the people's armed forces of the D.R.V. again "have given the devil his due." Altogether nine enemy aircraft were brought down in Quang Binh, Nghe An and Vinh Linh and one American pilot was captured after he bailed out. The D.R.V. Government on the same day issued another statement which reiterated its readiness to defeat the U.S. aggressors. The Chinese Government, on February 13, while calling on the people of the world to unite and give unstinted support to the just struggle of the people of Viet Nam and Indo-China, again made it clear that the Chinese people, who have been ready for some time, know very well how to help them throw out the U.S. aggressors. (See p. 5.)

The people of the northern and southern parts of Viet Nam are of the same family and face the same enemy—U.S. imperialism. Aggression in south Viet Nam is paving the way for invading the north and the aim of air raids on the north is to deter the people in the south from attacking Washington's position there. But has this position been improved in any way after the attacks on the D.R.V.? The answer has been given by the south Vietnamese armed forces who launched wide-scale offensives during which companies and even battalions of U.S.-puppet troops were knocked out of action.

More Blows to the U.S. Following the smashing Pleiku victory, described by a U.S. military spokesman in Saigon as "the worst against U.S. installations since the start of the Viet Nam war" (42 U.S. planes destroyed and 357 Americans added to the casualty list), the south Vietnamese armed forces dealt another heavy blow at the panic-stricken U.S.-puppet troops by attacks and ambushes along a 25-mile front in Binh Dinh Province, about 300 miles northeast of Saigon. These were mounted before dawn on February 8, the day following the U.S. bombing of Quang Binh Province in the D.R.V.

On February 10, under cover of gunfire, south Vietnamese forces blew up a 4-storey building in Qui Nhon City, demolishing it into a mass of rubble 30 feet high. Qui Nhon, capital of Binh Dinh Province and an important seaport situated midway between Saigon to the south and Da Nang to the north, is another base for U.S. helicopters and servicemen. In addition, the Americans have finally admitted that losses suffered by their puppet troops in the mountainous area of Binh Dinh were greater than in the Binh Gia battle five weeks ago and that there were heavier American death toils in the Qui Nhon than in the raids on Pleiku.

The U.S. imperialists had thought that their prestige would be raised if they only sent some aircraft to attack the D.R.V. But what has happened is that the south Vietnamese people's forces have gone on chewing up the enemy as before, and wherever they hit the Yankees there was no escape.

Thus, by expanding the war in south Viet Nam, the United States has further linked up the struggle of the people in all Viet Nam who are now hunting down the U.S. paper tiger. The recent victory of the valiant army and people of the D.R.V. in bringing down a total of 22 U.S. aircraft is a support for the people of south Viet Nam, while the series of victories won by the south Vietnamese armed forces in Pleiku, Qui Nhon and other places were equally a support for the people of the north. No amount of "retaliatory attacks" on the D.R.V. will help improve the situation in the south.

Quoting from a poem by Chairman Mao, Renmin Ribao in its February 12 editorial heartily congratulated the people of south Viet Nam on their splendid victories. The Chinese paper called them tiger-fighting heroes of the day. In his poem Wintry Clouds, Chairman Mao wrote in 1962:

Only heroes can quell tigers and leopards,
Never will the brave be cowed by wild bears.
Washington's War Moves. Meanwhile, with their aggression in south Viet Nam breaking down before their eyes, the warmongers in the White House continue to rattle the sabre. The Johnson Administration has recently been busy shuffling around more troops to expand the war. An advance party of a Hawk missile battalion was airlifted to Da Nang on February 8 while the rest was rushed to the scene by sea. Seven ships of the U.S. 7th Fleet were reported to have sailed from the Japanese port of Sasebo for an unknown destination. According to U.S. news agencies, U.S. troops stationed in Japan, south Korea and the Philippines have been ordered on an "urgency alert." The U.S. "Embassy" in Saigon has begun withdrawing the dependents of U.S. personnel there. "Ambassador" Maxwell Taylor, on February 10 threatened: "As our dependents leave, it is clear to friend and foe that important changes are taking place on the Vietnamese scene." Many American politicians and generals have used the same tone. Johnson himself and U.S. Defence Secretary Robert McNamara at a White House reception on February 9 gave a full account of "the measures the United States is holding in reserve for meeting any increased pressure from the Vietnamese Communists." White House Press Secretary George Reedy refused to say whether the raids against the D.R.V. on February 11 marked the end of the U.S. armed aggression against that country.

But will any of this give Johnson the chance to make a political silk purse out of a military sow's ear? The answer is apparently in the negative. All these measures, like the measures taken in the past such as the Staley-Taylor plan, the "helicopter tactics" and war threats will not carry the Johnson Administration very far.

"Make trouble, fall, make trouble again, fall again... till their doom"—this logic of the imperialists and all reactionaries in dealing with the people's cause, as expounded by Chairman Mao Tse-tung as far back as 1949, applies to U.S. imperialism in Viet Nam today.

Waves of Protest. The recent Johnson Administration outrages have brought worldwide denunciation. All socialist countries which have the international obligation to come to the aid of the fraternal D.R.V. have issued statements of solidarity. Public opinion the world over has denounced this latest aggressive move by U.S. imperialism.

The Cambodian paper La Depeche du Cambodge in its February 10 editorial described the U.S. imperialists as Nazis of today when they claimed that the D.R.V. was the "aggressor" and started bombing its cities to avenge the Americans killed in south Viet Nam.

The Swiss paper Journal de Genève pointed out that it would be a gross mistake for the United States to think that its "retaliatory attacks" would check the activities of the armed forces of the Vietnamese people.

The French paper Combat pointed out in a February 12 article that at the time of the "Tonkin [Bac Bo] Gulf incident" last summer, Johnson "unleashed his first armed attack on north Viet Nam by the alleged 'right of reprisal' which does not exist according to international law." The only right known and recognized in international relations, Combat noted, is the sovereignty of states which the President ground under heel that day. "America today," the paper added, "is no more than a caricature of power. Criticized and hated on all continents, it assumes the role of an accused in a world in which it has come so near to being tried."

On February 8, prominent British philosopher Bertrand Russell issued a statement protesting against the U.S. attack on the D.R.V. and demanding that the United Nations denounce the United States as aggressor.

Simultaneous with censure by world public opinion, people all over the globe, including the United States, have sprung into action. Demonstrators have marched and spoken up in the socialist countries and elsewhere: in the Scandinavian countries, in Western Europe, in Latin America, in Tokyo, in Djakarta and in Toronto and Montréal in Canada.

Demonstrations were staged before the U.N. headquarters in New York as well as in San Francisco and other American cities. One of the placards at the San Francisco demonstration said: "Adolf Johnson, Get out of Asia!" The angry demonstrators hoisted a flag of the South Viet Nam National Front for Liberation on top of the newly built 10-storey Federal Building in that west coast city. In the east, some George Washington University students went on hunger strike in protest.

 Everywhere accusing fingers are pointing at U.S. imperialism. In Viet Nam and elsewhere the world's people are hunting down the U.S. paper tiger.
Confessions of the U.S.
Paper Tiger

As the south Vietnamese people's forces win one victory after another, U.S. imperialism has increasingly revealed itself to be nothing more than a paper tiger. Yet the Johnson Administration still tries to put on a fierce look and steps up its piratical attacks against northern Viet Nam under the pretext of "retaliation." It does so in order to cover up the fact that it is outwardly strong but actually feeble, and to get out of the dire straits which it is in. But all this is futile. Even the U.S. ruling clique and its trumpeters have long since found it impossible to "pose as a fat man by slapping the face until it is swollen." Take a look at what they have been saying in recent months. If this is not the confession of a paper tiger, what is it?

"Frustrating" Situation

The United States "has a very difficult situation" in Viet Nam, "we know that we have very serious problems in that area." — U.S. President Johnson

For the United States, the situation in south Viet Nam is "mean, difficult and frustrating." — U.S. Secretary of State Dean Rusk

The United States feels "concern over the seriousness" of the south Vietnamese situation, and "the situation in south Viet Nam has unquestionably worsened, at least since last fall." "The road ahead in Viet Nam is coming to be long, difficult and frustrating." — U.S. Defence Secretary McNamara

War "Cannot Be Won"

"Both the military and the political situations" in south Viet Nam "are steadily deteriorating...." The U.S. war in south Viet Nam "has become a war which, as some seasoned observers on the scene say, cannot be won." — Chicago Sun and Times

"And the central fact that now needs facing is the grim similarity of the present military situation in south Viet Nam to the Vietnamese military situation at the end of 1953, on the very eve of Dien Bien Phu. "The raw materials for another Dien Bien Phu are plainly present." — Commentator J. Alsp

"There no longer is any question of whether or not the war is being lost, the only argument is over how fast the U.S. and south Viet Nam are losing it." — UPI

"The prospect is even gloomier in south Viet Nam where, despite immense American efforts to create a viable government the situation goes from worse to worst." — Commentator C.L. Sulzberger

Greater Risk Means "Worse Disaster"

"The only worse disaster for the United States than the continuation of the status quo in south Viet Nam would be expansion of the war into north Viet Nam." — U.S. Senator Wayne Morse

"It is clear that what happened in and around the Gulf of Tonkin will have little permanent military effect on the muddled situation in south Viet Nam. The basic situation in south Viet Nam has not changed and the same formidable threats to our objectives there still exist." — Military Commentator Hanson W. Baldwin

"An attack on north Viet Nam will not cause the Viet Cong rebels [referring to the south Vietnamese people's forces], who are predominantly south Vietnamese, to surrender to General Khanh. To attack north Viet Nam would be, therefore, a quite incalculable risk. . . . incalculable as to what could be gained by it and incalculable in what it would provoke." — Commentator W. Lippmann.

"Precarious Status Quo"

"I do not know precisely what changes should be brought about in American policy in Viet Nam, but I do know that we can neither withdraw nor cling to the precarious status quo which is causing us to lose the war in which so many Americans already have died." — U.S. Senator Milward Simpson

"The more the Johnson Administration studies the mess in Viet Nam the more it feels trapped. It has considered every alternative to the present policy of losing the war on the installment plan, only to conclude that everybody else's proposals are worse than its own." — Commentator J. Reston

"Among the policy-makers, there is no tendency to be mealy-mouthed about the present predicament. If defeat in south Viet Nam is passively accepted, all admit that this defeat will be the worst and most costly that the United States has submitted to in the century." — Commentator J. Alsp

"Long-Shot Gamble"

Recent U.S. air raids were based on the "assumptions" that they would "scare Hanoi and its communist allies enough that they will send ceasefire orders to the Viet Cong in the south." But "neither of these assumptions is a certainty, and air raids are a long-shot gamble." These raids on north Viet Nam "obviously will have no direct effect on the guerrillas.... there is little hope of ever protecting American installations.... big, fixed installations always have been sitting ducks for guerrilla attacks." — AP

"Washington evidently hopes that if north Viet Nam is threatened enough or punished enough" it would yield to U.S. pressure. But "this reprisal policy" had "the greatest weakness." The south Vietnamese people's armed forces "live and operate in south Viet Nam, using American arms captured from the Vietnamese [puppet forces]. The peasants either help them, or accept them.... they are tough, dedicated.... well trained." — New York Times

February 19, 1965
Drop That "Hallstein Doctrine"

by COMMENTATOR

Following is a translation of the February 16 article by "Renmin Ribao's" Commentator entitled "West Germany's 'Hallstein Doctrine' — Drop It!" — Ed.

THE forthcoming visit of Walter Ulbricht, Chairman of the State Council of the German Democratic Republic, to the United Arab Republic upon its invitation has caused a wave of hysterical outburst in Bonn. The rulers of West Germany have repeatedly threatened the U.A.R. by saying that if it acts as host to Ulbricht this would have "grave consequences" in relations between West Germany and the U.A.R. and that West Germany would take "retaliatory" measures. They even assume a threatening posture: Unless the U.A.R. cancels Ulbricht's visit, West Germany will stop "aid" to the U.A.R. and "sever diplomatic relations."

When the state leader of the G.D.R. accepts an invitation to visit the U.A.R., it is a matter between two sovereign countries. What does this have to do with the Bonn government? The U.A.R. is an independent and sovereign state and it has the right to invite whomever it wishes. What right do the West German authorities have to blatantly interfere? The West German government uses the threat of stopping "aid" in an attempt to force the U.A.R. to cancel its invitation to Ulbricht. This only shows how flagrantly the West German militarists are trying to interfere in the internal affairs of other countries and what their "aid" means.

The West German government controls only a portion of German territory, but with the support of U.S. imperialism it arrogantly claims to represent all Germany. It refuses to recognize that the G.D.R. exists and pompously tells the world of its "Hallstein Doctrine" which permits other countries to recognize only West Germany and forbids them to establish relations with the G.D.R.; otherwise West Germany would immediately break off diplomatic relations with them. How fearsome can it get! It believes that by an order from the rulers of West Germany all countries in the world will bow before the "Hallstein Doctrine," the G.D.R. will become isolated and the West German militarists can swallow it up in one gulp and thereby realize their dream of a great German empire.

The West German militarists should awaken from their sweet dream and face the facts. This is no longer the age when imperialism can do what it pleases. There have appeared two Germanys on German soil. The socialist German Democratic Republic exists and is developing. It has established diplomatic and trade relations with many countries. In these circumstances, whoever wants to disregard the existence of the G.D.R. and wants to force the independent and sovereign nationalist countries to break off diplomatic relations with it in subservience to West Germany, must be completely blind to reality. We would like to advise the West German authorities to pack up their "Hallstein Doctrine" and put it into their historical museum. Otherwise it will not be the G.D.R. that will suffer but they themselves.

The G.D.R. is a member of the socialist camp. The Chinese people resolutely oppose the West German militarists' plot to isolate and swallow it up. The Chinese people firmly support the people of the G.D.R. in their just struggle against the U.S.-fostered West German militarism and revisionism, against the notorious "Hallstein Doctrine," and for the safeguarding of their country's sovereignty.

Facts on File

The "Hallstein Doctrine"

THE so-called "Hallstein Doctrine" was announced in 1955 by the West German government with the support of the United States. It was drawn up by the then State Secretary of the West German Ministry of Foreign Affairs Walter Hallstein. This "doctrine" completely ignored the fact that there were two Germanys on German soil and arrogantly declared that the Bonn government was the representative of the whole of Germany. If any country was to establish diplomatic relations with the German Democratic Republic, West Germany would sever diplomatic relations with it. Later, former Bonn Chancellor Konrad Adenauer established diplomatic relations with the Soviet Union and West Germany announced that it was an exception.

In the last ten years the West German militarists, under the signboard of the so-called "Hallstein Doctrine," have tried their best to hold back the influence of the G.D.R. They have gone so far as to crudely encroach on the sovereignty of other countries concerned. Last year, for instance, West Germany tried to interfere in Tanzania's and Ceylon's developing relations with the G.D.R.

Now, soon after the announcement of Walter Ulbricht's forthcoming visit to the United Arab Republic, the Bonn government has once again invoked the "Hallstein Doctrine" in an attempt to force the U.A.R. to cancel this visit.
Non-Equivalent Exchange

Imperialist Exploitation of Asia, Africa and Latin America in Postwar Years

by KU MOU

The imperialist countries trade, as a matter of course, with the Asian, African and Latin American countries on a basis of non-equivalent exchange and in this way they bleed these countries and their peoples white. Non-equivalent exchange is one of the principal forms of imperialist exploitation. It is also one of the most cunningly disguised forms of exploitation because it takes the form of trade that is ostensibly “equal” and “voluntary,” much the same way as capital buys labour power under capitalism on the “free” labour market.

Imperialist exploitation of the Asian, African and Latin American countries through non-equivalent exchange is usually carried on in the following three ways:

1. Through exclusive control of various industries, imperialist monopoly concerns are able to maintain a high monopoly price for their products in sales to these countries and buy their primary products at low monopoly prices.

2. The shipping and insurance monopolies of the imperialist countries discriminate against the Asian, African and Latin American countries and charge them excessively high prices for the transport of goods.

3. The imperialist monopolies make their way into the Asian, African and Latin American countries to get control over the latter’s foreign trade. Either directly or through their agents they purchase goods for export from the small producers there at low, monopoly prices while selling imported goods, retail or wholesale, at high monopoly prices.

Fabulous Exploitation

With the continued deepening of the general crisis of capitalism since World War II, the U.S.-led imperialist monopolies have taken further steps to tighten their control over the capitalist world market. This has resulted in carrying the rate of exploitation of the Asian, African and Latin American countries through non-equivalent exchange to an all-time high.

In the absence of comprehensive data, it is difficult to work out the exact amount of wealth seized from the Asian, African and Latin American countries by imperialist exploitation through non-equivalent exchange. But by considering the changes in what is generally known as the ratio of export to import prices, or the terms of trade, it can already be seen to what extent such exploitation has reached in the postwar years.

In the early postwar years, the prices of primary products exported from the Asian, African and Latin American countries tended upward for a time. There were various reasons for this: slow recovery of the war-ravaged economies of these countries in contrast with the rapid restoration of the international market dislocated by the war; an exceptional demand for primary products as a result of the war of aggression launched by U.S. imperialism against Korea and the rush to lay up stocks of “strategic” materials. But as a result of imperialist monopoly control, prices of these countries’ exports in general, and of primary products in particular, began to tumble after 1951 whereas prices of imports, especially those of finished industrial goods, from the imperialist countries rose steadily.

According to data compiled by the United Nations Organization, in the decade beginning 1951, there was a 33.1 per cent drop in the general price level of primary products exported by the Asian, African and Latin American countries (excluding petroleum); prices of food and beverages went down by 17.9 per cent while those of agricultural raw materials and minerals plummeted 39.2 per cent. In the same period, the general price level of the finished industrial goods they imported from the imperialist countries went up by 3.5 per cent. In the case of machinery and industrial equipment, it went up as much as 31.3 per cent. Thus, in this decade the ratio of export to import prices in these two categories of commodities alone registered a 35.4 per cent decline in these countries.

Calculated on this basis, the amount they lost in 1951 alone was nearly U.S.$6,300 million. This is equivalent in value to 54.8 per cent of all exports of primary products (excluding petroleum) from these countries to the imperialist countries in that year. In other words, as a result of the decline of the ratio of export to import prices, the imperialist monopoly capitalists got for nothing more than half of all the primary products (excluding petroleum) which the more than 120 countries in the Asian, African and Latin American regions exported to them! Calculated in these terms the amount thus lost by these 120 countries during the decade beginning 1952 was U.S.$41,400 million!

The loss suffered by various countries because of the adverse price ratio for certain individual commodities is also very heavy.

In 1951, for every ton of steel products imported, Ghana needed to export 202 lbs. of cocoa. By 1961, one ton of steel exchanged for 571 lbs. of cocoa. Comparable
figures for Brazil are 380 lbs. of coffee instead of 158 lbs.; and for Malaya, 441 lbs. of rubber instead of 132 lbs.

Since World War II, primary products make up roughly 85 per cent or more of the total exports of the Asian, African and Latin American countries to the imperialist countries, while finished or semi-finished products make up somewhat less than 15 per cent of their total exports. Of their total imports from the imperialist countries, about 80 per cent are generally finished industrial goods; only 20 per cent are primary products. In that case, can these countries make up for their losses by exporting finished or semi-finished products to the imperialist countries and importing primary products from them? The answer is: No. This is because:

Firstly, one peculiar feature of trade between the Asian, African and Latin American countries on the one hand and the imperialist countries on the other is that the exchange of the former's primary products for the latter's industrial goods constitutes the bulk of business transactions;

Secondly, the finished or semi-finished products the former export to the imperialist countries are either light industrial goods or semi-processed primary products. For instance, in 1962, textile goods accounted for 24 per cent of their total exports of finished or semi-finished products; processed metals accounted for 36 per cent of the total. Prices for these products, far from increasing, registered a decline in that year. On the other hand, the range of decline in the prices of the primary products which the imperialist countries exported to these countries was relatively small.

According to U.N. statistics, between 1951 and 1961, the general price level of the Asian, African and Latin American countries' exports of finished or semi-finished products to the imperialist countries went down by 13.7 per cent while that of their imports of primary products from the imperialist countries dropped by 14.7 per cent. Calculated on this basis in exchanging these two categories of commodities, the Asian, African and Latin American countries made a "gain" of only U.S.$300 million in 1961; while the total "gain" under this head over the decade 1952-61 would amount to only U.S.$2,500 million.

Even though these "gains" are taken into account, the balance sheet would be as follows:

In 1961, due to the increasingly adverse trend in the ratio of export to import prices, the Asian, African and Latin American countries suffered a loss of U.S.$8,000 million in their trade with the imperialist countries.

The total loss suffered by these countries during the decade 1951-61 ran as high as U.S.$38,900 million.

It must be noted that these two figures only account for the losses in that period resulting from deterioration in the ratio of export to import prices. They do not take into account the "normal" non-equivalent exchange which already took place in 1951; nor do they include losses due to non-equivalent exchanges caused by the gap — which has been widening in the postwar years — between high labour productivity in making the industrial products of the imperialist countries and low labour productivity in producing the farm and mineral products of the Asian, African and Latin American countries; nor do they include losses due to extensive exploitation by middlemen and the super profits derived from the high discriminatory transportation charges slapped on by the monopoly imperialist shipping and insurance firms in handling goods for and from the Asian, African and Latin American countries.

**Intensified Exploitation**

Note must also be taken of the fact that after the war these countries suffered from an increasingly adverse ratio of export to import prices, that the "scissors" — the discrepancy between the prices of industrial and agricultural products — cut ever...
wider and sharper, and that, as a result, there was a long-term trend of continued intensification of exploitation through non-equivalent exchanges.

Let us first take a look at the trend of changes in these countries' ratio of export to import prices.

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<th>Year</th>
<th>1951</th>
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</thead>
<tbody>
<tr>
<td>1. Primary products (excluding petroleum) price index*</td>
<td>100</td>
<td>75.1</td>
<td>66.9</td>
</tr>
<tr>
<td>2. Industrial goods price index**</td>
<td>100</td>
<td>100.8</td>
<td>103.5</td>
</tr>
<tr>
<td>Price Ratio of Index 1 to 2</td>
<td>100</td>
<td>74.8</td>
<td>61.6</td>
</tr>
</tbody>
</table>

* referring to price indices for primary products (not including petroleum) which the Asian, African and Latin American countries export to the imperialist countries

** referring to price indices for finished industrial goods the imperialist countries export to these countries

After the war, in trading primary products for the imperialist countries' industrial products, the Asian, African and Latin American countries suffered increasing losses due to the increasingly unfavourable ratio of export to import prices. This is shown in the following table:

<table>
<thead>
<tr>
<th>Year</th>
<th>Losses (in U.S.$100 million)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1950</td>
<td>24</td>
</tr>
<tr>
<td>1951</td>
<td>34.5</td>
</tr>
<tr>
<td>1952</td>
<td>33.3</td>
</tr>
<tr>
<td>1953</td>
<td>31.8</td>
</tr>
<tr>
<td>1954</td>
<td>38.5</td>
</tr>
<tr>
<td>1955</td>
<td>39.7</td>
</tr>
<tr>
<td>1956</td>
<td>33.6</td>
</tr>
<tr>
<td>1957</td>
<td>49.1</td>
</tr>
<tr>
<td>1958</td>
<td>53.5</td>
</tr>
<tr>
<td>1959</td>
<td>55</td>
</tr>
<tr>
<td>1960</td>
<td>62.6</td>
</tr>
<tr>
<td>TOTAL</td>
<td>414.3</td>
</tr>
</tbody>
</table>

What does this table show? It shows that in the decade 1951-61, the price ratio for the industrial and agricultural products of the Asian, African and Latin American countries went down considerably in relation to those of the imperialist countries and that this decline is prolonged and steady without any marked fluctuation caused by changes in the capitalist economic cycle. This is a new feature of price movements in the postwar capitalist world market that well deserves attention.

Prior to World War II, the prices of primary products and those of finished goods on the world market showed, generally speaking, changes in the same direction with changes in the phases of the capitalist economic cycle; the only difference was that the ups and downs of the two categories of products differed in timing and in magnitude. For instance, during the 1929-33 crisis, prices of primary products went down by 50 per cent whereas those of finished products dropped by 35 per cent.

Things became different in the postwar period. In the period under review, the United States went through three economic cycles while the capitalist world as a whole went through two such cycles. But in that period, world market prices for finished products, especially machinery and equipment needed by the Asian, African and Latin American countries in developing their national economies, not only continued to go up during the upward phase of the cycle but often remained unchanged or even continued to go up in the period of crisis. On the contrary, prices of primary products, especially those exported by the Asian, African and Latin American countries, often registered a steady decline even during the upward phase of the cycle, to say nothing of the period of economic crisis. This special feature becomes all the more obvious when charted (see charts 1 and 2 on opposite page).

Let us also take a look at the continued intensification of exploitation through non-equivalent exchanges.

**Trade Terms**

**PRICE RATIO:** The term "price ratio," or terms of trade, as it is generally known in the capitalist world market, refers to the ratio of export to import prices. In international trade, when the prices of a country's imports and exports are compared with a particular year, known as the base year, and when the general level of export prices is lower than that of the base year while that of its import prices is higher than that of the base year, this means that the price ratio or terms of trade are unfavourable to that country. If the movement of prices is in the opposite direction, then the terms of trade have grown more favourable.

**PRIMARY PRODUCTS:** In the capitalist world market, this refers mainly to unprocessed or slightly processed farm produce, forestry, animal, mineral and fishery products. According to the Standard International Trade Classification compiled by the United Nations, these fall into five main categories, namely: food, beverages, farm and mineral raw materials, animal and vegetable oils and fuel (mainly petroleum).

The Asian, African and Latin American countries have always been suppliers of primary products to the imperialist countries. Since World War II, most of them have achieved political independence but up to now many have not rid themselves of a single-product economy. Most of their products and exports are primary products; about three-fourths of the primary products are exported to the imperialist countries.

U.S. imperialism, the biggest plunderer of these countries' primary products, ranks first among the six major imperialist countries importing primary products from Asia, Africa and Latin America. (Next in order are Britain, France, West Germany, Italy and Japan). In 1961, in terms of value, 62 per cent of the primary products imported by the U.S. came from the Asian, African and Latin American countries.

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This trend of increasing losses to these countries is likewise clearly shown in the record of all trade between these countries and the imperialist countries throughout the postwar period.

<table>
<thead>
<tr>
<th>Year</th>
<th>Losses (in U.S.$ 100 million)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1951 (base year)</td>
<td>22.6</td>
</tr>
<tr>
<td>1952</td>
<td>33</td>
</tr>
<tr>
<td>1953</td>
<td>24.8</td>
</tr>
<tr>
<td>1954</td>
<td>23.9</td>
</tr>
<tr>
<td>1955</td>
<td>33.2</td>
</tr>
<tr>
<td>1956</td>
<td>37.9</td>
</tr>
<tr>
<td>1957</td>
<td>48.4</td>
</tr>
<tr>
<td>1958</td>
<td>51.1</td>
</tr>
<tr>
<td>1959</td>
<td>50</td>
</tr>
<tr>
<td>1960</td>
<td>59.6</td>
</tr>
<tr>
<td>TOTAL</td>
<td>389.5</td>
</tr>
</tbody>
</table>

After the war, by 1962, the ratio of export to import prices in trade between these countries and the imperialist countries dropped to its lowest point.

In 1963, the ratio went up slightly. But even the United Nations Conference on Trade and Development had to admit in its report that this was a transient phenomenon. In point of fact, beginning in early 1964, except for the price of metals and metal products which continued to go up, those of all other primary products which these countries export to the imperialist countries again began to slide. The price ratio between industrial and farm products in the capitalist world market, judging from its general trend, is heading in a direction favourable to imperialist monopoly capital, and unfavourable to the Asian, African and Latin American countries and their peoples.

The steady postwar decline in the ratio of export to import prices in the Asian, African and Latin American countries' trade with the imperialist countries and the former's ever increasing loss as a result of it are inseparable from the following facts: With the deepening of the general crisis of capitalism the monopoly capitalists of the imperialist powers have put their national economies on what amounts to a wartime footing and further modernized capitalist agriculture; with the development of military science and technology big advances have been made in science and technology in the field of production; more and more synthetic substitutes are being produced to replace natural raw materials; exploitation by monopoly capital has been constantly intensified; there was further impoverishment of the working masses, etc.

But it must be pointed out that the decline is first of all and mainly the result of the policies of aggression and plunder practised by U.S.-led imperialist monopoly capital, the result of the control exercised by international monopoly capital over the capitalist world's international market and its prices. That is why the Asian, African and Latin American countries, in their fight against imperialist exploitation through non-equivalent exchange, have to combat imperialism, especially U.S. imperialism, and its policies of aggression and plunder, wage a tit-for-tat struggle against exclusive control of the capitalist international market and its prices by international monopoly capital, thoroughly rid themselves of domination by colonialism and neocolonialism, and build and develop independent national economies by self-reliant effort.

Pastoral People’s Commune

“Red Trees” on Green Pastures

by LIN TIEN

ULAN MAODU, which means “Red Trees” in Mongolian, was once the name of an obscure little village grown around with red willows in the Korchin, the vast grassland in the northeastern part of Inner Mongolia. Now it is the name of the pastoral people’s commune which has the biggest number of livestock of any commune in the Inner Mongolian Autonomous Region. Here, in the Korchin Right Wing Front Banner, the commune herds 270,000 head of cattle, horses, sheep and goats on thousands of square kilometres of grassland on the southern slopes of the Great Khingan Range.

Last year the commune gave its members personal incomes twice as large as the average in 1958, the year in which it was founded. Once a desolate and poverty-stricken area, Ulan Maodu today has all the bustle of a prosperous stockbreeding centre. Its pastoral population, of whom the majority are Mongolians, has more than doubled since liberation in 1947. Every household has its basic needs in food and other necessities looked after. Its members own twelve times as many livestock as in 1947 and more than double what they had in 1958. In the six years, 1958-63, the commune sold 80,200 animals and 700,000 kg. of wool to the state.

Like other big ranching communes in Inner Mongolia today, Ulan Maodu has teams of men out with its great herds on the pastures and well-built, permanent settlements out of which its administration works and where its clinics and schools are situated. On a visit to one of Ulan Maodu’s settlements last year,
I saw the sunny rooms the members had for living in, and sampled their good food, with plenty of meat, grain and dairy products.

In the commune's supply and marketing co-op, I saw the sale shelves filled with a wide selection of goods: cotton fabrics, the bright silks the Mongolian people delight in, fine saddles, riding boots and such novelties as transistor radios. In a branch of the co-op, a shop assistant told me that each of the 1,200 people in the three brigades it served bought an average of 20 metres of cotton cloth, 4 metres of silks and 6 kg. of brick tea in 1963.

Tea is a popular drink in Ulan Maodu, but I was told it was out of reach of most poor herdsmen in the old days. This led me to inquire about the past. Before liberation the area had some 2,000 herdsmen and altogether 21,000 head of livestock. Nineteen big herd-owners owned three-quarters of the animals leaving an average of something like three sheep for each working herdsman and less than one cow for each of their households.

Feudal lords, reactionary governments and later the Japanese imperialists all exploited and plundered the working herdsmen. Many of the latter, without animals of their own, were compelled to live by hunting, woodcutting or working for the big herd-owners. For a full year of heavy toll, a hired herdsman would be lucky to get in payment besides his food, meagre at that, a cow or a few sheep. No matter how diligently they worked, a hired herdsman's family was often driven to subsist on wild herbs and chaff. They dressed in tatters and lived in dingy hovels built of wattle and mud. Disease was rampant. As a result of such conditions, the population declined and the herds dwindled.

I talked with quite a number of the older herdsmen who had themselves experienced the bitter past of the grassland. Whenever they touched on their present life, they would invariably express their gratitude to the Communist Party and Chairman Mao Tse-tung. And indeed on every side I could see signs of the concern shown for the herdsmen by the Party and Chairman Mao and the assistance given them by the people's government.

I ideological Weapon

I heard about the state fund which had helped the poor herdsmen pay their shares on joining the co-ops and the aid which had been given to the poor brigades of the commune to set them on their feet. These two items totalled more than 100,000 yuan. I saw the semi-mechanised grass mowers and the improved pedigree livestock which the local people's government has helped the commune acquire. I admired the schools and the X-ray equipment in the commune's clinic. All these have played a major role in transforming this poor and backward district. But the most important thing that the Party and Chairman Mao brought to the poor herdsmen here was an ideological weapon—revolutionary thinking and the spirit of hard struggle and enterprise.

Guided by the Communist Party, the herdsmen resolutely took the socialist road of collectivization for a common prosperity. They started with mutual-aid teams, which developed into herdsmen's co-ops and then into the present people's communes.

When the first mutual-aid team in the present Ulan Aoda brigade was set up in 1949, the nine households of poor herdsmen who made up the team had only 30 sheep and cattle. They had no horse, so had to follow the animals around on foot. When some herd-owners jeered: "These paupers herd their flock the infantry way!" the team members were angry. The Party secretary of the banner, who was there on an inspection tour, told them: "It is precisely because we are poor that we must have a revolutionary will. As long as we follow Chairman Mao's words and work hard together, we will herd our livestock in the cavalry way tomorrow and even in a mechanized way in the future. Let them wait and see!" Thus encouraged, the team members kept their chins up and held steady to the road of collectivization.

Another mutual-aid team grew up in a similarly hard way. The seven poor herdsmen who formed it had only four sheep and six goats to start with, so two members were assigned to take up side-line production while the rest rented 500 sheep to look after. To get the flocks well fed, they took them to distant rich pastures. A felt yurt for shelter is essential for herdsmen on the grasslands. But none of the members had one, so they pooled what wool they had and got an old herdsman to make a rough yurt for them. They used a cast-off steel helmet for a cooking utensil. It was with such spirit that these poor herdsmen advanced, overcoming one difficulty after another.

The mutual-aid teams grew and developed into herdsmen's co-ops and by 1957 the Ulan Maodu area had 14 pastoral co-ops. These were semi-socialist in character. Their livestock was collectively herded and looked after, but still privately owned by members. Half of the newborn animals went to the owners of the ewes, mares and cows and the rest were distributed among members according to the amount of work done by each member (calculated in work points).

With the growth of the members' socialist consciousness, the working herdsmen demanded that their co-ops be run on fully socialist lines, i.e., that all income be distributed according to the amount of work done. This was achieved by turning all livestock into the collective property of the co-op with fair compensation to owners. With this decisive change on the grasslands, not only was the enthusiasm for production enormously raised, but a firm foundation laid for the birth of the Ulan Maodu People's Commune.

The commune has greatly enlarged its economy in the past six years. The former poor herdsmen, members of the commune now, herd splendid droves of horses numbering over 3,000 in all. So each of the 14 pas-
toral brigades now has more horses than a cavalry battalion. But the members still keep the revolutionary spirit of hard struggle and enterprise that they developed in the mutual-aid team days.

**Improved Breeds**

The commune has brought science to the grassland. One of its outstanding successes in this field is the improvement of its bloodstock. Not a little conservatism had to be overcome—superstition, feudal ideas, as well as technical difficulties. Nowadays, even the old-timers, who took to their heels at the first sight of artificial insemination, have a lot to say about the merits of improved livestock.

When it decided to improve the breed of its local sheep, the first thing the commune had to tackle in the autumn of 1958 was the choosing of 100 members to attend a technical training class. As most of the men were needed to herd the animals to distant pastures, the trainees had to be picked from among the young and middle-aged women.

These women trainees later became the backbone of the technical force engaged in improving livestock breeds. In 1958 and 1959 alone, the commune set up more than 40 breeding stations and crossed 40,000 local ewes with Sinkiang fine-wool rams by artificial insemination. Now the commune has more than 200 technicians in this field.

A study of 1,000 improved ewes revealed that they produce more than three times as much wool as the local breed. They also give finer wool and stand up sturdily to local conditions. These improved sheep have boosted the collective earnings of the commune. Ulan Maodu got 102,000 yuan from the sale of wool in 1958. Income from this source increased fivefold in 1963. Earnings from wool went up from 36 to 44 per cent of the commune’s pastoral income in the same period. While this was partly due to bigger flocks, it was also partly due to better prices for better quality wool and more wool per sheep.

A promising start has also been made in improving local cattle and horses. The commune now has about 3,000 of improved breeds.

Modern veterinary services, unknown in the Ulan Maodu area before liberation, have expanded swiftly. The commune has a veterinary centre and a number of veterinarians who make regular rounds of the pastures on horseback. In addition, workers trained in disease prevention are attached to all the commune’s 300 flocks and herds.

**Model Herdsman Damlin**

Fifty-nine-year-old Damlin has looked after the collectively owned livestock for 13 years. He has been elected model herdsman by the commune or the banner for many years running. Once he and his workmate were helping to deliver calves in a spring camp when a blizzard struck. The colder it became, the bigger was the number of calves born. The men cradled the young animals in warm felt yurts and took them to their mothers at milking time. Wind and snow scattered and drove away the cattle, so they had to keep watch in shifts day and night. For three days and nights, Damlin hardly closed his eyes.

Ever since 1958 Damlin has been assigned to the herds of cattle. The cows under his care are healthy and strong and for every 100 calves born 98 or 99 grow up. Each year he gets 600-700 yuan for his work and a bonus in addition.

When I asked him about his work in the commune, he replied: “I love the animals, you know. It’s not for any bonus I get. A man needs to compare his past with his present. I passed the first half of my life in the old society, driving carts to transport salt. I never got well fed or warmly clothed. Now, thanks to Chairman Mao and the people’s commune, I have clothes for all seasons and wheat flour and sugar every day. In the evening I drink tea or a drop of spirits and listen to the wireless. With such a life, and such a fine Government, how can I be irresponsible to the collectively owned livestock?” He was not speaking for himself alone, but for all the working herdsmen who are building socialism on the Korchin grasslands.
ROUND THE WORLD

Independent Africa

U.S. Plots Exposed and Thwarted

After its abortive attempt to put down the patriotic forces in Leopoldville-Congo by the armed invasion of Stanleyville last November, the United States not only stepped up its machinations in the Congo (L). It resorted to various tactics, both open and veiled, in neighboring countries to shore up the crumbling regime of its puppet Tshombe. It did not stop at attempts to subvert governments that follow an independent policy and do not approve of U.S. intervention and aggression in Africa. Thus countries neighboring the Congo (L) were marked down for subversion or open attack.

Scheme to Bring Stooge Back

On February 13 Premier Pascal Lissouba of the Congo (Brazzaville) unmasked the imperialists' conspiracy to subvert the Congolese (B) Government that came into power following the revolution in August 1963. Through the Radio of the Voice of Revolution of Congo and the Congolese News Agency, he acquainted the world with details of the scheme cooked up in Washington, Brussels and Lisbon.

This plot, he said, was to bring Youlou, the former president and minon of the imperialists, back to power. Tshombe was given all the financial backing needed to carry out the plan. After they had overthrown the government of President Massamba-Debat and Premier Pascal Lissouba the imperialist powers, according to the plot, would have split the Congo up into four "republics" within a federal republic headed by a decorative "federal president." Of these four "republics" one would be given to Tshombe, one to Kaunji (another imperialist stooge), one to Youlou and one to what they called the "Lumumbists."

Premier Lissouba then revealed how the plotters were to go about their job. The Americans and their friends would "busy themselves with Burundi." (where Prime Minister Ngendandumwe was recently assassinated by a clerk of the U.S. Embassy) while the Portuguese, with the support of the intelligence services in Leopoldville Congo, would stir up a counter-revolution in Brazzaville. "Their first aim," he noted, "is to break up our technical and administrative organs and all this will be timed with the arrival of the commandos of the Kibanguists from Leopoldville."

Since the revolution of August 1963, U.S. imperialism has been working overtime with the old colonialists of Belgium and Portugal, and also with the Tshombe clique, to overthrow the present Brazzaville government. American arms were smuggled into the country; Tshombe was instructed by his American masters to expel all Brazzaville-Congo residents in an attempt to create confusion and disorder; and Tshombe himself shouted at the top of his voice that he would march on and take Brazzaville in a couple of hours. Some time ago, at Washington's bidding, he started a whispering campaign against Brazzaville-Congo. Now a still more diabolical scheme is out of the cupboard. However, the people of Brazzaville-Congo, confronted with the criminal plot of U.S. imperialism and its partners and parasites, are taking all measures necessary to halt the murderers in their tracks.

Vigil of Brazzaville

Responding to the call of Premier Lissouba, the Brazzaville-Congolese people have mobilized to thwart the counter-revolutionary coup which the United States, Belgium and Portugal seek to bring about in their country. Premier Lissouba made it clear what the invaders could expect if they were to carry through their plan. "The Government of the Republic of the Congo," he said, "will shoulder its responsibility to face and, in case of necessity, to frustrate all hostile actions against the Congolese people's sovereignty and their right to choose their own government."

Tanzania Undaunted

Another country adjacent to the Congo (L) which Washington has tried in vain to subvert is the United Republic of Tanzania. Less than a month ago two American diplomats were thrown out of Tanzania for subversive activities. This, coming after the exposure of the American plot to overthrow the Tanzanian Government late last year, stunned the U.S. Government into taking retaliatory but ridiculous action. It expelled Mr. Katua, Counsellor of the Tanzanian Embassy, but in ordering the expulsion made no suggestion that his behavior was in any way inconsistent with the diplomatic proprieties. It said, namely, "It is the 'counsellor' who is being expelled, not 'Mr. Katua.'"

As a reply to this objectionable act, the Tanzanian Government, on the instructions of President Nyerere, recalled the Tanzanian Ambassador to the United States. A statement from the State House in Dar-es-Salaam on February 14 said, "The President and Government of the United Republic of Tanzania do not give way to threats nor to ultimatums. We in this country fought for our independence and won that fight. We are a small country, but we are as much a sovereign state as the U.S.A. . . . We are not a vassal state, nor do we intend to become one." It added, "We do not bully, and we do not like being bullied."

Bombing of Ugandan Villages

On the very same day when Premier Lissouba informed the world of Washington's criminal activities against Brazzaville-Congo, American aircraft were bombing the villages of Paidha and Goli in Uganda.

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The air strike took place in the morning and the Government at once issued a statement denouncing the United States for its part in the crime. Foreign Minister Sam Odaka protested to the American Embassy in the Ugandan capital and the Ugandan Ambassador was instructed to take similar action with the State Department in Washington.

The statement of the Ugandan Government condemned the U.S. bombing as “a clear example of neo-colonialism.” On the surface the raid was carried out in the name of its hatchetman Tshombe. But the aircraft were American, only the markings were Tshombe’s. All Tshombe’s military measures, in or outside the Congo, bear the U.S. stamp. It is typical of neo-colonialism, and U.S. neo-colonialism in particular, to give its henchmen dirty jobs and stay behind the scenes itself in an attempt to escape public censure.

Pretext a la Saigon

Also typical of U.S. imperialism is the way it creates from thin air pretexts to carry out its policies of aggression. Why did the planes of the U.S.-financed Tshombe clique bomb the Ugandan villages? According to an AP dispatch on February 13, Ugandan soldiers had entered the Congo to fight alongside the “rebels” (meaning the patriotic forces). How like the pretext the Johnson Administration trotted out when it started to bomb the Democratic Republic of Viet Nam! The South Viet Nam Liberation Army made mince-meat of the U.S. forces, and out came the monstrous charge that Hanoi was directing and supporting the “Viet Congs” and points north of the 17th Parallel must be bombed. The true reason for the Ugandan raid is that the United States cannot tolerate the ostracizing of the Tshombe regime and the support given to the patriotic struggle of the Congolese people by neighbouring countries. But if today Uganda can be bombed with impunity, then tomorrow the United States can do the same to Tanzania, Brazzaville-Congo, Algeria, or any other countries in Africa which support the people of Leopoldville-Congo against Tshombe and his American patrons.

Washington Denounced

No, the people of Uganda will not allow U.S. imperialism to run amuck. In a television speech on the day of the bombing Premier Milton Obote warned the United States that it is deceiving itself if it thinks that it can insult and injure Africans as it pleases. “Uganda,” he said, “will not be cowed by these incidents. We will not allow our territorial integrity and independence to be violated for the sake of economic aid or other considerations. We denounce the Government of the United States which claims itself to be the biggest democratic state of the world but has no respect for democracy at all.”

Premier Obote went on, “If the United States thinks it can rule the whole world by violating others’ territorial integrity and independence, then it is not a democratic state. In fact, it is ruled by a group of gangsters who are prepared to undermine world peace.” And he stressed, “we cannot allow our territory to be violated without giving an answer.”

The Government of the United States is indeed a bunch of gangsters trying to stand on the necks of the people of Asia, Africa and Latin America, and wherever else it can act the bully. But the world’s people have learnt how to deal with such an enemy. Tit-for-tat and blow for blow — that is the answer to this hated international gendarme.

German Democratic Republic

Menace of Bonn Militarism

G.D.R. leaders have made a number of statements and comments following the meeting of the Warsaw Treaty countries which ended on January 20. They referred in particular to the grooming of the forces of West German militarism by the United States which has assumed dangerous proportions threatening peace in Europe but to which some people have chosen to turn a blind eye.

In a radio-television interview on January 24 with Chairman of the State Radio Committee Gerhart Eisler, Walter Ulbricht, First Secretary of the German Socialist Unity Party (SED) and Chairman of the G.D.R. State Council, said it was because of the new situation brought about by the increasingly adventurous policy of the West German Federal Republic that the Warsaw Treaty states met in the Polish capital. He listed the following as important factors in the new situation: nuclear armament, unscrupulous efforts to attain control over nuclear weapons, the plan for an atomic mine-belt along the eastern border of the West German Federal Republic, the latter’s aggressive “forward strategy,” threats of “hidden war” and civil war made by responsible representatives of the West German Government against the G.D.R., and the unbridled arms drive in West Germany and the intensification of its revanchist policy.

Ulbricht said that “those who shut their eyes to these and many other equally convincing facts are in danger of losing their policy on illusions.” He pointed out that the United States follows a policy of nuclear blackmail vis-a-vis the socialist countries and it would be a mistake for people to think that the danger of a multilateral nuclear force is no longer as great as before. “This danger,” he said, “will remain as long as the West German Government goes on seeking nuclear weapons and as long as disarmament has yet to materialize and revanchism to be liquidated in West Germany.” He stressed the importance of West Berlin, which is an inalienable part of the German Democratic Republic, saying that the West Berlin issue is as vital to the people of the G.D.R. as the Oder-Neisse frontier of peace is to People’s Poland.

Gerhart Eisler himself writing in Berliner Zeitung on January 27 said Bonn tried to “buy” the G.D.R. from the Soviet Union. Nevertheless, he said, “the treaty of friendship we signed with the Soviet Union clearly shows that there is nothing here that can be bought or sold.” Drawing attention to attempts by Bonn to isolate the G.D.R. by setting “our Polish and Czechoslovak friends against us,”
he added, "were all this only empty talk and had there been no extremely serious preparations in connection with the hostile propaganda against us, there would probably be no need for the member states of the Warsaw Treaty to meet. For the Warsaw Treaty countries have more important business to attend to than to react to each and every reactionary hullabaloo by meeting among themselves."

The G.D.R.'s position was further emphasized by Otto Winzer, First Vice-Minister of Foreign Affairs. According to the February 2nd issue of Berliner Zeitung, in a speech before the Karl Marx Higher Party School, he took up the question of the Warsaw meeting and the German situation and reminded people to beware of traps. He said, "We advise the credulous and the naive to take a good look at German imperialism which has plunged our people into the holocaust of two world wars."

Indo-China

Phnom Penh Solidarity Meeting

Washington's feverish efforts to push its policies of war and aggression in Indo-China, apart from piling defeat upon defeat, have only succeeded in galvanizing the people of the entire peninsula into closing their ranks and making common cause against the common enemy. This, in a nutshell, is the background of the meeting that is being held in Phnom Penh, the Cambodian capital.

Sponsored by Prince Sihanouk, Cambodia's Head of State, the Indo-China Peoples' Conference sets itself the task of discussing questions of common interest, strengthening the solidarity of the three nations of Cambodia, Laos and Viet Nam, and charting the course of action against U.S. imperialism. The present gathering, opened on February 14, is a preparatory meeting, a preliminary to the main drama that will be staged later on. Yet in face of the ominous war moves of U.S. imperialism, it has assumed a great sense of urgency.

Renmin Ribao, speaking for the people of China, hailed the convocation of the Indo-China Peoples' Conference in an editorial on February 15 as a meeting of great significance. The Indo-China peoples, it said, are heirs to a glorious anti-imperialist tradition. They have stood up and do not quail before brute force. It recalled the statement made some time ago by Prince Sihanouk: The entire military power of the United States cannot impress us. We have made the decision to return blow for blow, to denounce them before the world and fight against these cursed imperialists until their extermination!" The war the U.S. imperialist forces are being pasted in Bien Hoa, Binh Gia, Pleiku and Qui Nhon in south Viet Nam and elsewhere in Indo-China indeed shows that U.S. imperialism, strong as it may seem with its boasted superior weapons is no match for freedom fighters united and tempered in the flames of struggle. The people are the decisive factor. Militant unity. Renmin Ribao pointed out, holds the key to victory for the peoples of Indo-China in their anti-U.S. struggle which is winning worldwide sympathy and support.

Japan

The Yoshida Letter

A hot dispute has broken out between the government party and the opposition in the Japanese Diet over a document known as the "Yoshida Letter." The letter is being used by the Eisaku Sato government to restrict and obstruct trade between Japan and China. It gives the lie to Sato's many professions of "independence" and show that his government is even more diligent than its predecessor in tailing behind U.S. imperialism and fighting the latter's battles in Asia.

The so-called Yoshida Letter was written last May by Shigeru Yoshida, Sato's mentor and boss and Japan's Prime Minister in the fifties. It assured the Chiang Kai-shek clique that the Japanese Government would withhold approval for the export of complete sets of vinalon equipment to China and deny the use of Export-Import Bank funds even should export approval be given later on. Particulars of the letter and its serious import came to the fore last month when the Sato government announced that it would not allow the Dai-Nippon Spinning Co. to use funds of the state bank to finance the sale of a complete set of vinalon equipment to China. Socialist Dietman Masashi Ishibashi asked if the Yoshida Letter had something to do with the restriction. Sato replied that this was the case.

At a time when Japanese business firms are on their toes in order to compete with their West European rivals for market outlets in China, the Sato clamp-down has stirred up strong dissatisfaction among the Japanese public and particularly among businessmen trading with China. It hits not only the Dai-Nippon Spinning Co. but also the Hitachi Shipbuilding and Engineering Co., which had signed a contract for building a 10,000-ton freighter for China last November. Japanese business circles now fear that the Sino-Japanese trade built up over the last several years on a non-governmental basis is being undermined.

Even more serious, however, is the fact that the Sato government, which time and again has declared that it is guided by the principle of "separating politics from economics" in its relations with China, has allowed the political corpse of the Chiang Kai-shek clique on Taiwan to come between Sino-Japanese trade relations and influence Japan's policy towards China. Why has the Sato government allowed the placemen of U.S. imperialism to bedevil Sino-Japanese relations when it is degrading enough for Sato himself to be a Washington tool?

The reason is not far to seek. The forces of militarism in Japan for which Sato is a spokesman are not reconciled to their defeat in China. They see in the Yoshida Letter an opportunity to further their plan to stage a come-back and eventually seize once again the Chinese territories of Taiwan. The Yoshida Letter has thus cast a dark shadow over Sino-Japanese relations. If they are not to worsen and if trade is really to develop between the two countries, the only course open to the Sato government is to disown the Yoshida Letter and prove its sincerity by deeds.
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