

"WORKERS AND OPPRESSED PEOPLES OF THE WORLD, UNITE!!"

# WORKERS' PRESS

THE POLITICAL ORGAN OF THE MARXIST-LENINIST COLLECTIVE

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MARCH 1976

## INTERNATIONAL REPORT

The new year begins amidst a serious economic and political crisis throughout the capitalist world. The danger of a new world war is growing as the United States of North America (USNA) and the Soviet Union (USSR) struggle for world hegemony. "Detente" between the two superpowers is intended to gloss over their sharpening contention. However, the facts themselves reveal that preparations for a third world war are being undertaken by both the superpowers. The factors for both revolution and war are increasing. But revolution by the peoples of the world is the main trend in the world today.

### I. USNA

The USNA is in the throes of an economic and political crisis. The current economic crisis is the worst since World War II (WWII) in depth, scope, and duration. Industrial production has fallen sharply, unemployment continues to rise (8.5% officially), and thousands of industrial and financial enterprises have gone bankrupt. The manufacturing industry is operating at only 65% of its capacity, prices continue to rise (7% official annual rate) and there is no major sign of a quick, strong recovery. Stagnant production remains the trend in the steel, machine-building, construction and auto industries. In fact, the housing slump has continued for almost three-and-a-half years. Dwindling home and foreign markets have aggravated the contradiction between production and market inherent to capitalism, which becomes intensified under conditions of the general crisis of capitalism.

With the entire world capitalist system in the grip of the economic crisis of relative overproduction, the situation in overseas markets for all capitalist countries is worsening. The USNA is no exception. The governments of various Western economies, notably England, West Germany, France, and Japan have taken measures to encourage exports and limit imports by the enactment of trade barriers-tariffs, quotas-currency devaluations, and "dumping". The USNA government is now ready to impose a tariff on steel produced in Japan and the European Economic Community (EEC) or Common Market countries.

The Ford Administration has responded to the crisis by measures aimed at shifting the burden onto the back of the USNA working class, especially workers of oppressed nations. Within Puerto Rico, the Black Nation and other oppressed nations, other classes are likewise affected. These measures include demands for higher productivity from workers, wage cuts, higher fuel prices, cuts in food stamps, welfare, unemployment benefits, etc. Ford's policy of "stimulating" the economy rests on further militarization and preparation for war and fascism (the 1977 Budget calls for major increases in military spending).

Fascist trends continue to develop in the USNA today. On the one hand, the bourgeoisie openly encourages and protects the development of a mass fascist movement; a few examples include the ROAR committees in Boston, the increased activity of the Nazi Party, the resurgence of the Ku Klux Klan, and the growth of paramilitary organizations (the "Posse" in California). Most serious is the foundation by the FBI of the Secret Army Organization (SAO) in San Diego, California in the early 1970's to terrorize anti-war groups and communists. On the other hand, the bourgeoisie is streamlining the repressive apparatus of the state, centralizing authority and redefining the division of labor. The recent FBI-CIA exposures and now Ford's proposal for reorganization of the "intelligence community" reflect this. Simultaneously the bourgeoisie prepares repressive legislation such as Senate Bill 1 (SB-1), which will take away civil liberties and democratic rights. The fascist tendencies



find expression in the presidential candidacies of George Wallace and Ronald Reagan - in their Hitlerite demagoguery and particularly in the open appeal to national chauvinism. The hysteria whipped up by the bourgeoisie around busing, and the deportation of undocumented workers (Rodino Bill), vividly illustrates this. Culturally, the glorification of violence and the sanctification of the police in the bourgeois media shows the maturing of these fascist trends. The banking crisis (New York City) reveals the further state intervention and concentration of capital, the accelerated development of state monopoly capitalism. This is another unmistakable sign of the move towards fascism.

The USNA multinational working class and oppressed nations have not willingly accepted the policies of the Ford gang. A number of strikes hit major industries (mining, auto, rubber, etc.) in the summer and fall of 1974. In January, 1975 over 200,000 workers demonstrated in Washington, DC for jobs. However, what is significant is not that there has been a fight back by the multinational USNA working class, but rather that it has not resulted in further developing the class consciousness and organization of the working class, given the opportunities presented by the crisis. This results from the fact that the working class movement is under the leadership of the bourgeoisie ideologically, organizationally and politically, through the Democratic Party, the AFL-CIO, and the revisionist "Communist Party USA". The material basis for this bourgeois hegemony over the working class movement results from the bribery of the USNA working class in relation to the workers of the dependent nations and colonies. From superprofits extracted from these latter countries, the USNA imperialists are able to buy off the upper stratum of workers, permanently, and the bulk of workers, temporarily, through high wages and political and social privileges not accorded workers in the colonies. In order for there to be a real workers' revolutionary movement in the USNA, there must be a firm break with the thin layer of permanently bought-off workers and trade union leaders, who are the main repositories of reformism, revisionism and right opportunism in the working class movement.

Thus, in order that the USNA working class be able to carry out its historic mission as "gravedigger" of USNA imperialism, there must be organized a genuine Marxist-Leninist political party, a Communist Party, composed of the most devoted, class conscious, and theoretically trained representatives of the USNA multinational working class. A multinational Bolshevik Communist Party of a new type must be created in the USNA. The accomplishment of this aim is the main task of genuine Marxist-Leninists in the USNA today.

The movement of the Black people of the South for national liberation continues to weaken the USNA imperialist system. The masses of Black workers and other toilers are more and more recognizing that their struggle for liberation cannot be separated from the overthrow of imperialism. No longer do bourgeois liberalism and nationalism reign supreme as the guiding ideology of the Black people's movement. Now Marxism-Leninism is gaining the upper hand among revolutionary workers and intellectuals. Moreover, it is gathering a significant social base among the Black working class.

Of the many national liberation struggles confronting the USNA imperialist state, the struggle of the Puerto Rican people for state independence has reached a high point in recent months. Almost all the political forces in Puerto Rico are now demanding an end to the plunderous "Yankee" colonial rule. Maneuvering to offset these demands, Washington is proposing a form of autonomy called a "free associated state", wherein the USNA State will consolidate its rule while giving the outward appearance of Puerto Rican self-determination. The Puerto Rican people have rejected this swindle and have vowed to continue the struggle until victory is won. It is the duty of the USNA proletariat to break with the policies of its bourgeoisie and lend material support to the freedom-fighters in Puerto Rico in the struggle for independence!

## II. SOVIET UNION

With the all-round restoration of capitalism in the USSR, the Soviet Union now reveals all the features of a moribund, decaying, imperialist system. Within the Soviet Union lay-offs of workers, declining labor productivity, impoverishment of the working class and ever sharper social stratification can be found; prostitution, graft, alcoholism, and drug addiction are evident as in other capitalist countries. Internationally, the Soviet Union is characterized by the export of capital and commodities; social-imperialism must strive for an ever greater share of the world market and ensure access to and control of raw materials. Forcing unmarketable commodities on countries through "tied" loans, buying "cheap" and selling "dear", speculation on the world capitalist money markets, are all mechanisms used by the USSR to loot and plunder. The prestige once enjoyed by the USSR when socialism existed serves the revisionist clique in their masking of imperialist penetration under the guise of "aid from the socialist community". Now the increasingly open and direct exploitation and domination of countries such as India and

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Eastern European nations is daily revealing the true nature of the revisionists to the people of the world: socialist in words and imperialist in actions. This is what is meant by social-imperialism.

As the Soviet economy lags behind the USNA in many respects -- particularly in productive capacity and the application of new technologies, the USSR intends to rely primarily on military strength in its contention with the USNA for hegemony. The militarization of the Soviet economy has reached glaring proportions: 60% of Soviet industrial enterprises are geared to military purposes. As a result, the consumer goods and agriculture industries remain gravely backward. Since the early 1960's the USSR has had to import a steadily increasing amount of grain, with a peak in 1974 of 23 billion tons. The efforts of the Soviet Union to develop its military strength have proven worthwhile; it is now more or less on a par with the USNA in nuclear armaments and conventional weapons. Stepped-up Soviet contention for world hegemony reflects, at this time, the increasing strength of the Soviet Union vis-a-vis the USNA. In recent years the Soviet social-imperialists have pushed the arms race to a new high, and a marked change has taken place in the balance of military power between the two superpowers.

While inferior to the USNA in terms of industrial production, the USSR is superior in the organization of finance capital and the transformation of monopoly capitalism into state monopoly capitalism. With the high degree of monopolization and centralization, through the state apparatus the bureaucrat monopoly capitalists control the entire national economy and economic lifelines. This gives the USSR many competitive advantages over the USNA and other capitalist countries where state monopoly capitalism is not as highly developed.

Social-imperialism, which means the forcible oppression and enslavement of nations as well as the active preparation for imperialist war, demands the brutal suppression of democratic rights and revolutionary resistance internally. The USSR is a social-fascist dictatorship, similar to Nazi Germany. Plagued by agricultural crisis, shortages of key commodities, racked by political divisions, and threatened by the militancy of the Soviet people, the Soviet ruling bourgeoisie must rely upon open terror as a means of maintaining its power. The masses of Soviet people, however, have historically demonstrated their courage and determination in revolutionary struggle -- they built and defended socialism in the Soviet Union for more than thirty years. The fact that state power was seized and capitalism restored by the revisionist leadership cannot be hid from the Soviet people. The Soviet masses will overthrow the bourgeoisie as they once did so heroically, and socialism will be re-established in the USSR!

### III. EUROPE

Europe is the main focus of USNA-USSR world contention. Behind this political and military contention is the rivalry of economic interests. After World War II, the USNA had undisputed hegemony over the Western European national economies. USNA surplus capital penetrated most of the key branches of production (auto, chemical, etc.). USNA goods saturated their vast markets and Wall Street made substantial inroads into the colonies of Western Europe (the Middle East, Asia, Africa, etc.). One of the reasons for the formation of the European Common Market (EEC) by the national bourgeoisie of France, West Germany, Belgium, etc. was to overcome the hegemony of the USNA. Still today the USNA has a big stake in Western Europe: no less than 50 billion dollars of USNA capital is accumulated there, 60% of USNA foreign investment resides there, and Western Europe is the USNA's largest trading partner, with annual surpluses for the USNA, except for the last few years.

With the restoration of capitalism in the Soviet Union in the late 1960's, Moscow launched a major effort to gain economic inroads into Western Europe. The Soviet Union has made substantial investments in factories in Italy and France, has entered the Western European money market as a major investor and speculator, and is becoming a prime source of Western Europe's oil and natural gas, the life line of their economies. In 1973, the Russians arranged a 20-year contract for the supply of natural gas to West Germany, Austria, and France. Within five years it is estimated that over 10% of West Germany's natural gas requirements will be met by the USSR. Further, the USSR and France have set up a joint economy to refine Soviet crude oil for re-export to the rest of Europe. A Soviet-Belgian company, NAFTA, has been established for storage and redistribution of Soviet oil products to the rest of Western Europe. The USSR clearly has a growing economic stake in Western Europe, and is doing everything in its power to increase it at the expense of the national bourgeoisies and the USNA imperialist bourgeoisie.

This struggle for markets, spheres of influence and areas of capital export in Western Europe has forced both superpowers, in recent years, to strengthen their military build-up in all of Europe. Both sides have



increased the number of troops confronting each other on the western front of Eastern Europe: 870,000 USNA and NATO troops now face 965,000 Soviet and Warsaw Treaty soldiers. The Soviet increase shows up most sharply in advances in overall troop strength: since 1972 the USSR has increased its military might in this area at an annual rate of 5-10%, it has increased its number of troops in Eastern Europe by 100,000 and doubled the number of tactical nuclear weapons (TNW) since 1970. Of course, the USNA has not been outdone: recently, it has poured millions of dollars into NATO, mainly in the form of TNWs. Since 1970, the USNA has enlarged its TNWs manyfold in Western Europe. Even the Pentagon now openly admits there is an "oversupply" of TNWs in Western Europe. It is clear that despite all the phrase-mongering about peace at the Helsinki Conference, the Conference on Mutual Force Reductions and the SALT talks, the superpowers are poised for a major war in Europe.

Recent events have pointed to the intensification of inter-imperialist rivalry between capitalist countries. In the USNA, Britain, and Japan, there is a developing trend of protectionism as well as the subsidization of exports. As in the 1930's, this reflects the struggle for a larger share of a limited world market and the sharpening of the general crisis of capitalism, thus paving the way to a new world war.

The economic crisis of the capitalist world continues to engender political instability in many Western European countries, notably Portugal, Spain, and Italy. In all three countries the working class and the oppressed masses are throwing themselves into the struggle for emancipation from their rotten capitalist regimes. But their struggles are being temporarily diverted from the path of socialism; externally, by the intervention of the two superpowers, internally, by the opportunism and revisionism of the so-called "communist" parties. The major communist parties of Western Europe formed by the Comintern (the Communist Party of Britain, the Italian Communist Party, the French Communist Party, etc.) have all degenerated into bourgeois parties. They all renounce the principle of the dictatorship of the proletariat and preach the fable of "peaceful transition to socialism". Throughout Europe the revisionist communist parties serve a dual purpose. First, they support monopoly capitalism by serving as vehicles for bourgeois ideology within the working class; second, while there are minor differences over tactical questions, in general the European communist parties are a "fifth column" aiding Soviet social-imperialism, which is aggressively striving for hegemony in Europe.

In Portugal the regime of Mario Soares (Portuguese Socialist Party) has gotten the upper hand, temporarily, and is working to see that the anti-fascist movement of the oppressed classes against the Salazar-Caetano regime does not proceed to a proletarian dictatorship, but stops somewhere between bourgeois democracy and fascism. Soares' regime, despite its phrase-mongering about serving the interests of the Portuguese working class, is angling for a compromise with fascism. Coupled with this is the policy of blunting Soviet influence by undermining the position of Moscow's proxy, the Communist Party of Portugal. Soares has removed important representatives and sympathizers of the Communist Party of Portugal (CPP) from key positions in the Armed Forces Movement (AFM) and the government, and has organized violent raids on CPP offices. This policy is well approved of in Washington, since the USNA government has paid dearly for it. The Ford administration has openly admitted that it has funneled and continues to funnel millions of dollars to various bourgeois parties in Portugal (including the PSP) to keep it from falling under the influence of the USSR. Over the years the USNA has been the main economic and military prop for the fascist Salazar regime, and today the USNA government has close ties with the neo-fascist, Spínola. For these reasons, the USNA imperialists are today the main danger to the Portuguese revolution. This does not ignore the fact that Soviet social-imperialism is maneuvering to gain a foothold in Portugal and must be exposed for its interventionism. The USNA proletariat must demand that the superpowers cease their intervention in Portugal. We must demand that all money used for intervening in Portugal be cut off!

In Spain, the USNA imperialists and the Spanish oligarchy are planning to continue the Franco regime without Franco. Though it may utter some words about "liberalization", the Carlos regime will not fool the people. The Spanish ruling clique has sold itself out to USNA imperialism, which is the main support for this fascist dictatorship. USNA imperialism still sees Spain as an important strategic military base to facilitate its control of the Mediterranean and the sea and air routes to Africa and the Middle East. The USNA imperialists need the fascist Spanish regime to maintain their bases, while the latter needs the USNA militarists to maintain their shaky regime. Washington wants Spain to be included in the NATO pact "to protect its western flank", and President Ford, at the last meeting of the NATO countries, openly called for Spain to be included as an official part of the alliance.



The brutal, fascist crimes of the regime do not go unopposed. The mass struggle of the people of Spain is growing stronger, and the Spanish people are uniting around the anti-fascist movement. Presently, mass demonstrations of workers and housewives are taking place in Madrid demanding democratic elections, women's rights, better living conditions, and freedom for political prisoners. The Carlos regime has responded with the "carrot" and the "stick". On the one hand, Carlos repealed the brutal "emergency laws" imposed by Franco just before he died, aimed at imprisoning working class revolutionaries and Basque nationalists. On the other hand, Carlos carried out mass arrests of leaders of the demonstrations. On January 6 in Madrid, over 120 strike leaders were arrested. In mid-January a strike wave hit Spain involving 25 cities and over 250,000 workers. Over 100,000 workers were subsequently drafted into the military to break the strikes. Yet the strike wave and demonstrations continue, for the revolution cannot be held back. Representatives of the illegal trade unions and Basque national liberation movement, the ETA (Basque Homeland and Liberty), have pledged to continue the fight against the government of Juan Carlos despite government "concessions", until the goal of complete freedom is reached.

The severe economic crisis in Italy has once again led to the fall of another government (the 31st since World War II). The bourgeois ruling coalition led by the Christian Democratic Party was unable to solve the immense economic problems and was also unable to completely beat back the struggle of the Italian working class. Recognizing both that the Italian Communist Party (CPI) is the leading political party within the working class at this time, and that the political line of this party is essentially no different from the rest of the bourgeois parties in Italy, the Italian monopoly capitalists are considering including the CPI in the government as a way of propping up monopoly rule. Preventing this coalition is USNA hegemony, which dictates the exclusion of the CPI out of fear of the drift towards the USSR and away from NATO. Inevitably, the Italian working class will part ways with revisionism and overthrow their own bourgeoisie, along with the power of the USNA veto.

Socialist Albania is Europe's example of how imperialism and fascism can be defeated and a proletarian democracy established. Under the leadership of the Party of Labor of Albania, the working class and its allies established a proletarian dictatorship and are establishing an all-around socialist economy, serving the needs of the people, free of crises, unemployment, hunger and inflation. Albania is providing encouragement and support to the people of Europe and the world. The people of Europe, in time, will take the road taken by Socialist Albania.

#### IV. MIDDLE EAST

The struggle between the Arab and Palestinian peoples on the one hand, and USNA imperialism and Soviet social-imperialism, on the other, is the principal contradiction in the Middle East. The Arab and Palestinian peoples are waging a relentless anti-imperialist, anti-Zionist struggle for the recovery of their lost territories and the restoration of Palestinian national rights.

It's clear to the superpowers that they must find a "solution" to the national oppression of the Palestinians or risk the intensification of class struggle - ignited by the Palestinian people - throughout the Arab world. We must expose the reactionary reform of the so-called "Palestinian mini-state" (United Nations Resolution 242). This proposal is backed by both superpowers and is part of their strategy to "solve" the Palestinian question. Such a state would only benefit the Palestinian bourgeoisie and petty-bourgeoisie, represented by Arafat and others within the PLO. It would be dominated by the superpowers and the reactionary regimes of Iran and Saudi Arabia. The proposal would return only a fraction of the traditional Palestinian homeland, and would ensure the sovereignty of the Israeli aggressor state. We must support the "Rejectionist Front" led by the Popular Front for the Liberation of Palestine (PFLP) and other groups within the PLO - and supported by the progressive regimes of Iraq, Syria and Libya. The Rejectionist Front is struggling against imperialist conciliation within the PLO and throughout the Arab world. Refusal to negotiate with Israel, recognition that the PLO is the sole and legitimate representative of the Palestinian people, and rejection of the superpowers' mini-state plot; this is the only strategy which serves the interests of the Palestinian and Arab peoples; the mini-state represents the "carrot" aspect of the imperialist strategy towards the Palestinians. At the same time, we strongly support the diplomatic victories of the PLO in the UN and elsewhere, which reflect the increasing awareness of the just struggle of the Palestinians by the people of all countries.

The "stick" aspect of imperialist strategy is repression against the Palestinian refugees within various Arab countries. The situation in Lebanon is a reflection of this national struggle of the Palestinian people as well



as a class struggle within Lebanon. On the one side stand the Phalangists, who are fascist agents of the local bourgeoisie and USNA imperialism. On the other are the Palestinians aligned with the Lebanese peasants and workers. Similar to the 'Black September' in Jordan the objectives of the imperialists are to crush the Palestinian resistance within Lebanon, and to aid the local comprador regime in silencing all opposition to its pro-imperialist, pro-Zionist policies. The complete unwillingness of the Lebanese bourgeoisie to resist the Israeli aggressor has strengthened the unity of the Palestinians and the Lebanese masses--the Palestinians have emerged as the only force capable of assisting the Lebanese in their struggle to protect their national sovereignty and for democratic reforms within Lebanon.

In the gulf state of Oman a people's war of national liberation has been waged for the last ten years against USNA imperialism and the reactionary comprador regime of Sultan Qabus. Led by the Popular Front, for the Liberation of Oman (PFLO) with support from the neighboring progressive state of the People's Democratic Republic of Yemen (PDRY), this war has reached a new stage in the last two years. Eleven thousand Iranian troops are now fighting in Oman at the request of the USNA. Given the strategic significance of the Persian Gulf, the suppression of this struggle is an important priority for USNA imperialism. Recent significant advances by the PFLO have increased the potential for direct military intervention by the USNA; it is also likely the imperialists will attack the PDRY which repulsed an invasion by Saudi Arabia in 1972. We must build support for the Omani people and oppose intervention by the USNA and its local allies.

The Iranian intervention in Oman reflects the designs of the Iranian bourgeoisie for a new 'Persian Empire' in the gulf area. Iran now has one of the largest and best equipped armies in the world. Its actions in Oman correspond with and serve the interests of USNA imperialism, which wants Iran to play the role of 'gendarme of the gulf'. We must expose and denounce Iranian aggression. Only when the actions of the Iranian bourgeoisie are objectively anti-imperialist (such as struggling for a just price of oil on the world market through OPEC) do we support the actions of the Shah.

The question of access to and control of raw materials, especially oil and the superprofits acquired from imperialist investment, is one factor which makes the Middle East a strategic area in the world-wide struggle for hegemony. Two-thirds of the world's known oil reserves are in the Middle East--half of them in the Persian Gulf states of Saudi Arabia, Iran, Iraq, Kuwait and Oman. 70% of the oil production in the Middle East is controlled by the USNA corporations. Nearly 60% of corporate profits from direct USNA investment in the underdeveloped countries comes from the Middle East. Presently the USNA imports less than 20% of its crude oil--but by 1985 it's estimated the USNA will need to import over 50%. The USNA has some unexploited domestic reserves which could be developed, but the superprofits from Middle Eastern oil will drive USNA capital there. The striving for superprofits and access and control of raw materials also forces the export of Soviet capital to the Middle East. The amount of USSR investment in the Middle East is much less than that of the USNA; however, investments in Iraq, Iran, and Egypt have been growing. The USSR is currently self-sufficient in oil and is the third largest exporter--it does not depend on access to Middle Eastern oil to meet domestic needs like the USNA. However, there are some indications that if the USSR cannot overcome problems in developing its Siberian reserves this could change.

Here we must stress that both superpowers view control of the oil reserves and the refining, marketing, and transportation of oil (in the ME and other regions) as a vital weapon in the world-wide struggle for hegemony. As was earlier noted, USNA capital is now dominant in the Middle East and subsequently the USNA bourgeoisie has been able to prevent further erosion of its position within the international capitalist system--given the dependency of other capitalist countries on ME oil. Japan imports 90% of its oil from the ME; Europe close to 70%. Their ability to undermine the position of the USNA is tempered by dependency on USNA-controlled oil from the ME. Similarly, with further Soviet investment in the ME, the hand of the USSR in the struggle for hegemony will be strengthened. The rise in the world price of oil has resulted in enlarged markets created in some countries, particularly Saudi Arabia and Iran. The USNA has increased its exports of commodities, particularly arms, to these countries. The USSR is aggressively expanding its exports to the entire region. Egypt and Iran are the USSR's second and third largest trading partners within the underdeveloped countries. While the USNA now has the largest share of markets in the ME, there is fierce competition from Germany and Japan as well as the USSR.

In addition to the economic significance of the ME to the superpowers, it is of great military and geographical importance. The ME is the center of transportation between three continents: Europe, Asia, and Africa.



The southern flank of Europe can be effectively controlled through hegemony in the ME, North Africa, and the Mediterranean. Through the Mediterranean, Persian Gulf, and the Indian Ocean flow most of the shipping routes for oil. The buildup of naval strength and bases in the Indian Ocean by the USSR is particularly striking. Control of these strategic oil routes vital to every capitalist country is a most coveted prize in the superpowers' contention for hegemony--due to its location the ME is the most important link.

Today the USNA imperialists have hegemony in the ME, as evidenced by Egypt's 'switch' from the USSR to the USNA. The principal reason for USNA hegemony is the control of oil through direct and indirect foreign investment. Secondly, through its client state of Israel, the USNA is able to intervene militarily throughout the ME. The stronger position within Iran also contributes to USNA hegemony. However, the USSR is striving to gain influence in Israel through less restrictive immigration policies for Soviet Jews. As well, increased investment in Iran adds to a stronger Soviet position.

Both superpowers are interested in a 'no war, no peace' situation in the ME: brief controlled wars, followed by periods of relative peace. This allows them to 'fish in troubled waters' and through the bait of military and economic assistance, assert their hegemony.

#### V. LATIN AMERICA

An overall view of Latin America reveals a worsening of the economic crisis coupled with increased repression by the fascist regimes which rule in almost every country. The USNA has hegemony over the hemisphere but the USSR has now gained a foothold and is rapidly expanding its political and economic ties. In addition, Japan, West Germany, and France have stepped up the export of capital and commodities to Latin America--particularly in Peru, Brazil, Colombia, Argentina, and Mexico; there is a sharpening of the inter-imperialist rivalry for raw materials, markets, and access to cheap labor.

The struggle of the Latin American peoples to combat imperialism, safeguard their sovereignty, defend their natural resources and economic interests continues to surge forward. The unity of the Latin American countries in their struggle has been reinforced in various ways. Recently, twenty-three countries signed an agreement intended to accelerate their economic growth and social development. Mutual visits between the leaders of several countries reflects development of a united struggle around the 200-mile maritime limit. The formation of organizations of sugar, coffee, banana, and bauxite producers, involving a number of Latin American and Caribbean countries, is another significant indication of this trend.

In every country the spontaneous struggle of the people against imperialism and social-imperialism and the local comprador regimes is extremely high. Throughout Latin America the national bourgeoisie is very weak and vacillating except in Venezuela. The militancy and the courage of the peoples under the yoke of fascism, particularly in Brazil, Bolivia, and Chile is inspiring to the entire world. With the exception of Argentina where a new Marxist-Leninist party (Revolutionary Communist Party of Argentina) plays an increasingly leading role within the working class, the development of the conscious movement lags behind the spontaneous struggle of the people in all Latin American countries. There are a number of reasons for this: first, is the Cuban Revolution which had tremendous impact on Latin America and gave rise to many revisionist ideas--primarily that a revolutionary party guided by Marxism-Leninism is not necessary; rather, it is possible through an armed guerrilla 'foco' to create the subjective conditions necessary for the overthrow of the bourgeoisie. This theory is rooted in and reinforced by Trotskyism, which is especially strong in Mexico, Argentina, and elsewhere. Also important is the relative strength of the revisionist communist parties, and social-democratic parties. Like all modern revisionists they renounce the dictatorship of the proletariat and in practice reject armed struggle. The bankruptcy of this political line was once again so tragically revealed in the overthrow of the Allende government in Chile by USNA imperialism and its fascist agents. These factors which have held back the conscious movement toward proletarian revolution are now in decline. The organization of revolutionary parties based upon Marxism-Leninism is now a developing trend in Latin America.

Panama is a strategic area where the USNA's hegemony is losing ground. The USNA refuses to recognize Panama's sovereign rights over the Canal Zone. The leader of the Panamanian government, Torrijos, has generally pursued an anti-imperialist foreign policy directed towards winning total sovereignty over the canal. The USNA wishes to prevent this.

In Nicaragua the grip of the fascist Somoza regime has been severely weakened by the open rebellion of peasants and workers throughout the country.



The instability of the regime is reflected by the presence of 3000 USNA Special Forces engaged in counter-insurgency operations.

Similar to Iran in the Middle East and South Africa in Southern Africa, Brazil plays a strategic role in supporting USNA hegemony in Latin America. USNA capital dominates Brazil and the Brazilian military (LA's largest) has received more military aid from the USNA than any other Latin American country. Brazil's traditional expansionist policies have been encouraged by the USNA as a 'stabilizing force' in a region of intense class struggle. The Brazilian military nearly intervened in Uruguay in 1971 and was prepared to invade Bolivia in 1970; Brazil is threatening to annex parts of Paraguay and Bolivia as well. The Brazilian military has close ties with the Chilean junta; and through various political, economic, and military pressures exerted on Bolivia the dictatorship (in service of USNA imperialism) hopes to realize the 'Atlantic to Pacific' alliance of Chile, Bolivia, and Brazil. The USNA faces stiff competition from other imperialist countries in Brazil. Japanese investment tripled from \$200 million to \$600 million in '72. In '73 alone, it was \$700 million. One firm, Mitsubishi, announced a projected five year investment of \$1.2 billion. Brazil has engaged the aid of France and the USSR to help finance the strategic Itaipu dam, which is one of three projects planned by Brazil to gain control of the energy of the River Plate Basin. This region contains the largest iron deposits in the world, oil and many other minerals, and the rich land for agriculture and cattle. Control of the energy supply will allow Brazil to dominate the exploitation of these natural resources and the economy of the region which includes parts of Argentina, Bolivia, Paraguay, and Uruguay.

Beginning in the 1960's many USNA corporations (particularly in electronics and other labor intensive industries) located production operations in the northern Mexican border region. These corporations were attracted by the low wages and taxes, and the minimal transportation costs for finished products exported to the USNA; all of which meant superprofits in industries faced with competition from Japanese and European firms. Combined with the prospects of seasonal work in the USNA, this led to an explosion in the migration of Mexicans to the border area. (Tijuana's population, for example, jumped from 20,000 in 1940 to a projected 600,000 in 1980) Now as labor costs have risen due to the struggle of the Mexican workers in the border area, many of these industries are relocating to the Caribbean or countries in Central and South America; others effected by the recession throughout the capitalist world are making massive layoffs. In addition the mechanisation of agriculture in parts of Northern Mexico, has forced many peasants and agriculture workers off the land. This enormous increase in the already high numbers of unemployed in Northern Mexico has increased pressures for Mexican workers to migrate to the USNA. As is well known the USNA government is now increasing its policies of deportation, jailing, and intimidation of undocumented Mexican and other foreign workers. We denounce these fascist tactics and support the struggle of all undocumented workers for democratic rights. The deterioration of the living conditions in Northern Mexico has sparked a high level of spontaneous struggle by Mexican workers and peasants.

Cuba, through its integration into 'Comecon', massive external debt (\$4.5 billion), and reliance on the USSR for machinery and capital equipment has become a neo-colony of the Soviet Union. This is a temporary set-back for the Cuban people and is most clearly manifested in the foreign policy of the Cuban government. Cuba's role is to serve as 'front man' for Soviet social-imperialism. Beginning with the Algiers Conference of Non-Aligned Nations, where Cuba opposed countries struggling against the two superpowers, to the uncritical support of the Allende regime before and after the coup, to the Havana Conference which was a vehicle for revisionist hegemony within the struggle of the Puerto Rican people, to the recent continental meeting of revisionist CP's in Latin America--where Cuba led an all-out attack upon the Chinese Communist Party--and the recent Cuban intervention in the Angolan civil war has demonstrated that Cuban foreign policy has echoed the political line and sought to strengthen the hegemonic aims of the USSR.

Argentina is currently the focus of superpower contention in Latin America. The USNA now has economic hegemony--however, the USSR exerts widespread political influence. There is now a split within the bourgeoisie; each faction lining up behind one or the other superpower. The economic crisis is deep; inflation is well over 200% and the export markets for Argentine meat have nearly collapsed. The Revolutionary Communist Party is struggling against revisionism for leadership of the working-class movement; a revolutionary situation now exists.



## VI. ASIA

With the collapse of the USNA imperialists' direct participation in the Indochina War, with the worsening economic condition of Western finance capital, and with the rise of other capitalist competition (Japan, USSR, Western Europe), the entire outlook of Asia's future has changed. Although USNA imperialism still has hegemony, it is being forced to pull back and consolidate.

USNA military strategy in Asia is based on continued intervention by counter-insurgency. Massive arms sales supply local armies with guidance by the USNA military. While pulling out of some bases in Asia, USNA strike force is vastly increased, allowing short term heavy attacks staged from strategic islands in the Pacific and Indian Oceans. Enormous stockpiles are being prepared at Diego Garcia in the Indian Ocean, Clark Air Force Base in the Philippines, and other areas in the Pacific Basin. The USSR, too, has its warships in these waters and is contending with the USNA for maritime control. Meanwhile the economic intrusion continues apace. The potential for oil and other raw materials, and possibilities of markets in Japan, Indonesia, Australia, etc., invite imperialist investment to capture the potential super-profits.

On the other hand, the revolutionary movements in these countries are advancing. The peoples of Asia are against interference and the attempt of any country to seek hegemony. The great victories of the three Indochinese peoples (Cambodians, Vietnamese, Laotians) against USNA imperialism is a brilliant example showing that "a weak nation can defeat a strong one, and a small nation can defeat a big one." This was the most important worldwide event of the peoples' struggle against imperialism in the past year.

Recently, East Timor, a Portuguese island colony in Indonesia, has been waging a successful independence movement, despite recent setbacks as the result of an all-out invasion by Indonesian forces. The USNA imperialists have increased their military aid to Indonesia by more than 100% and have supported Indonesian armed forces in launching attacks on East Timor.

Japan has been hit hard by the worldwide economic crisis of capitalism. Business failures and bankruptcies including some large maritime corporations increased by more than 10% last year; for the first time since the "take-off" of the Japanese "economic miracle" in the late 1950's unemployment and lay-offs have become a significant factor. The militancy of the working class in their resistance to the monopoly capitalists shifting the burden of the crisis reached a new high point the past year. In May, two million workers with wide popular support went on strike over wages and working conditions. Later in the year, state and public employees staged an eight-day nationwide strike to restore their right to strike.

The Japanese bourgeoisie is faced with numerous contradictions; how they are resolved will profoundly effect Japan. Underlying the USNA-Japanese partnership in Asia have been several factors: USNA military demand fueled the Japanese economy in the '60's, the USNA has been Japan's largest export market, and Japan has depended on the USNA for oil and food. Now cracks are beginning to appear in this alliance.

Due to the laws of uneven development, Japan has traditionally lagged behind the USNA. However, in the '70's, Japan's export of capital to Asia has surpassed the USNA's. Japan has now overtaken several European countries and is second, to the USNA in total direct foreign investment. Japanese exports have seized the largest share within certain strategic USNA domestic markets: steel, electronics, and to a lesser extent, automobiles. While USNA control over the oil and food lifelines of Japan tends to restrain its competition with the USNA (as well as Japanese reliance on the USNA military 'shield' in the Pacific), overall tensions are increasing between the two countries. As a concession to prevent quotas on Japanese imports to the States, Japan dropped its traditional prohibition on the investment of foreign capital; recently, a number of regulatory agencies within the Miki government have slapped tight restrictions on foreign capital within Japan; a number of American banks and corporations are pulling out complaining of falling profits and an 'unfavorable' business climate. Japan's closer ties with China reflected in the signing of the peace treaty with an anti-hegemony clause runs counter to USNA interests: the USNA wants to see Japan play a larger military role in Asia. China is opposed to this and a section of the Japanese bourgeoisie is putting increasing weight on the present and future relationship with China (the strength of the Japanese people's anti-war, anti-militarism movement is also an important counterweight to USNA pressures for further rearmament). There has been a dramatic increase in the importation of oil from China; from 0 to 160,000 barrels a day in the last few years.



If this trend continues it could lessen Japan's dependency on the USNA. This sector within the Japanese bourgeoisie also feels imports of oil along with the export of oil-related technology will mean greater exports of Japanese manufactured goods to China. Another section of the bourgeoisie desires closer ties with the USSR for similar reasons (oil and export markets). However, annexation of Japan's northern territories by the USSR after WWII-- which now are important military bases of the USSR--is a major stumbling block in the development of this relationship. The people's movement to protect the national sovereignty of Japan is growing in strength; the opposition to the hegemonic aims of the USSR is intensifying. The shelving of plans for joint economic development of Siberia and the signing of the peace treaty with China against the vehement objections of Soviet social-imperialism indicate the increase in tensions between Japan and the USSR.

In India, too, the superpowers are scheming. India is one of the richest sources of super-profits for them, primarily for the USSR. Amidst hunger and famines, unemployment and outrageously high taxes, the superpowers are using India as a source of cheap labor, raw materials, and markets for their goods. India is a neo-colony of the USSR. The USSR brags, of course, that their "aid" to India is meant to "help India build up independent national industries". What do the facts show? At present, the proportion of the output of enterprises built with Soviet "aid" and controlled by the USSR is as follows: heavy machine-building industry, 85%; heavy electric equipment, 60%; oil, 35%; steel, 40%; and electric power, 20%. All enterprises built with Soviet "aid" are completely placed under direct Soviet control from designing, installation of equipment and supply of appliances, down to their management.

India is so overburdened with heavy debts that new loans may not cover what it has to pay back. The loan extended as "aid" to India by the USSR in 1973-74 totalled 139 million rupees, whereas what India paid back to the USSR in the same period came to 566 million rupees in principal and interest. Further, all "loans" by the USSR to India can be used only to import Soviet goods. Besides, India is required to export raw materials to the USSR as repayment.

Indian sovereignty over financial matters has been infringed on as well. Arbitrarily, the USSR changed the parity of the Indian rupee and the Soviet ruble to its, the USSR's, advantage. Using the devaluation of the rupee as a pretext, the USSR recalculated the principal and interest on Soviet loans and India has to pay back an additional sum of 4,000 million rupees. All this, and more, under the name of "aid" and "support"!

The USSR is not alone in its plunder and bullying of the Indian people and government. The USNA imperialists have exploited and oppressed India and tried to control the country. USNA military aid is much higher than economic aid. This, in addition to millions of dollars supplied for internal security forces used to put down rebellions, break strikes, and intrude into neighboring countries. In this regard, it is important to note that India has carried out imperialist aggression against bordering countries, such as Bangladesh, Nepal, Bhutan and Sikkim.

The movement of the resistance by the peoples of India is increasing. Protests against high taxes and unemployment, food riots, demonstrations and strikes, most significantly the railroad strike, against fascist rule and repression occurred throughout 1974-75, and will no doubt intensify this year as the fascist dictatorship consolidates. Trade unions, workers and government employees are threatening the ruling class. The recent move to open fascist dictatorship (June, 1975) is a reflection of the bourgeoisie's inability to rule in the old way; and like European social-democracy in the 1930's, the Indian revisionist "communist" parties paved the way for the rise of fascism. The impoverished conditions of the masses of people provide the objective conditions for revolution. Their struggle will advance as the masses unite under the leadership of a genuine communist party.

In most other Asian countries, struggle against superpower domination continues. The main issue in Korea is reunification of the North and South and the withdrawal of all foreign troops. The independent and peaceful reunification of Korea is the common aspiration of the entire Korean people. In 1973, the United Nations General Assembly affirmed a 1972 agreement reached between North and South Korean authorities on the three principles for reunification. But Korea remains divided today because the Park Jung Hee clique of South Korea, supported by the USNA, has abandoned these principles. Abetted by the USNA imperialists, the Park clique has sabotaged the talks, pursued a policy of national division, issued emergency laws, and intensified its suppression of the South Korean people to perpetuate the division of Korea and keep the USNA troops there. The draft resolution submitted by Algeria, China, and other countries proposes that the UN command be dissolved and all



foreign troops be withdrawn. This is the only just proposal!

The Philippines have long been a colony of USNA imperialism; USNA corporations own 90% of the oil industry and control 50% of the capital on this island. Clark Air Force Base and Subic Bay are the largest USNA military bases in the Pacific. The New People's Army (NPA) is waging a war of national liberation against USNA imperialism and the comprador regime of the dictator Marcos. The NPA is the military apparatus of the Communist Party of the Philippines. The Party is leading a united front of all classes against the puppet Marcos and USNA imperialism. Clearly, the USNA will either soon have to become directly involved in another war in Asia or lose yet another piece of its Pacific empire.

The recent success in the campaigns against the ideas of the revisionist traitor Lin Piao and the reactionary scholar Confucius has strengthened the dictatorship of the proletariat in China. It is no wonder that the USSR has over one million troops amassed on the Chinese border. Threatened by the 800 million Chinese people who are successfully building socialism and who genuinely support and aid the peoples of the world in their struggle against imperialism, the USSR, as well as the USNA, would like to see the destruction of this bastion of socialism. China provides a reliable base area for the liberation struggles, and a leading role for the peoples of the world in a world strategy of united front against USNA imperialism and Soviet social-imperialism. While China does not have a single troop outside of her borders, she knows full well of the danger of war and is preparing for it. China is correct in advising that other countries do the same. More and more the peoples of the world are learning from her experience the need for and inevitability of proletarian revolution. We recognize the Chinese Communist Party and the Albanian Party of Labor as the leading parties within the international communist movement.

#### VII. AFRICA

Today, Africa has forty-six independent countries, making up 94% of its total area and over 90% of its population. In the past year, the African people continued to win important victories in their struggles for independence. In June, Mozambique won full independence from Portuguese colonial rule after centuries of oppression, and in November, Angola too was freed from Portuguese domination. In areas where liberation has not yet been achieved, the peoples' struggles are growing daily. Despite fascist measures against them, the people have stepped up their armed struggle against the Smith regime in Rhodesia (Zimbabwe). The Namibian people, too, are waging increasing battles against the South African authorities who control their land. Inspiring new developments in the Azanian people's movement (South Africa) against apartheid include a recent mass transit strike, as well as the day-to-day struggles against the oppressive Vorster regime.

Although most of the old colonial powers have been ousted, many African countries realize that political independence is not enough, and that they must free themselves from domination by foreign capital as well. Under the false banner of "economic and military aid", the USNA and the USSR in particular are infiltrating Africa, interfering in the internal affairs of various countries. The USSR especially is trying to create splits among the national liberation movements. Both carry out military infiltration in the name of "military aid" and sell worn-out machinery and equipment at high prices, then purchase agricultural products and raw materials at lower prices, all in the name of "economic aid". They export capital in order to gain control of the economies of Africa, and call this "support". In response, more and more countries are nationalizing foreign-owned enterprises in an effort to develop their own economies independently. At this time, neither the USNA nor the USSR holds undisputed hegemony on the African continent. Both have a foothold in individual countries, but the real struggle for the redivision of former colonial spoils is only beginning in full force with the struggle for Angola.

The situation in Angola is most critical, and exposes the role of the super-powers--clearly showing the length to which they and their lackey states will go to secure their own interests. On November 11, the former Portuguese colony won its independence, only to have the liberation struggle waged for centuries turned into a bloody civil war at the instigation and steady encouragement of the USSR and the USNA. Over the next few months, the USSR sent more "aid" to the MPLA than it sent throughout the previous fourteen years! Furthermore, they brought in 10-12,000 Cuban troops to do their fighting for them. The USNA was not lagging far behind. Millions of dollars in arms and war materials were secretly pumped through USNA ally Zaire to the FNLA-UNITA coalition, thus further intensifying contradictions among the three groups. South Africa openly invaded Angola, with troops consisting of South African regulars and mercenaries from Portugal, Belgium, France, Britain and the USNA! Recent MPLA victories over the FNLA-UNITA coalition, South African troops and foreign mercenaries has put the MPLA in control of Angola, and has led to their formal recognition as sole legitimate ruler of the nation by the Organization of African Unity (OAU), thirteen European nations, including France, Britain, and West Germany, as well as many other nations throughout the world.

Why have the USNA and the USSR risked military confrontation by becoming involved in this war? First, Angola is a huge country of vast natural wealth--oil, coffee, diamonds, minerals. The USNA, through Gulf Oil Co., has millions of dollars invested in the oil-rich enclave of Cabinda. Secondly, Angola is of great strategic



importance, and this is where the USSR is primarily interested. Military bases in the port of Luanda would give the USSR control of the oil tanker routes from the Persian Gulf to Europe (the Suez Canal is too shallow to accommodate the tankers), and therefore give her the potential to cut off oil supplies to countries almost totally dependent on the Middle East for oil. The USSR already has military bases in Somalia, on Africa's eastern coast, as well as access to Guinea and the Congo. The struggle over who shall control the southern Atlantic and southern Africa is really at the heart of the contention between the USSR and the USNA. Furthermore, both of these bloodthirsty imperialist powers will do anything to thwart the legitimate aspirations of the Angolan people for independence from all foreign powers.

All should unite in demanding that the two superpowers and the USNA's faithful client, South Africa, get out of Angola and let the Angolan people determine their own future! The peoples of the world want to see a united and independent Angola, free from any superpower domination!

In northeast Africa, a seldom-publicized struggle is continuing between the so-called "socialist" regime in Ethiopia, and the province of Eritrea. For fourteen years, the people of Eritrea have fought for national independence from Ethiopia, and since the coup of 1974 that deposed King Haile Selassie, the struggle has intensified. The new regime in Ethiopia has accepted millions of dollars from the USNA in aid and military equipment. The USNA imperialists have a communications base in Asmara (Eritrea), and furthermore see the province, which borders on the Red Sea, as strategic to the protection of oil sea lanes and the supply of Israel.

In contrast to the bloodthirsty contention between the USSR and the USNA for neo-colonies in Africa, socialist China offers genuine cooperation without interference to African countries. On October 22, 1975 the Chinese-financed railroad linking Zambia to the Indian Ocean through Tanzania was completed two years ahead of schedule. Capitalist countries had refused to finance the project, saying it couldn't be done. Called the "Great Uhuru (Freedom) Railway" by workers on the project, the railway represents a great victory for the peoples of Africa and China. Not only does it free land-locked Zambia from dependence on Rhodesia for a route to the sea, but it provides both Zambia and Tanzania with a desperately needed spur to economic development. And it is a clear demonstration to the peoples of Africa that aid from a socialist country doesn't carry strings. Chinese technicians working alongside their African counterparts lived no differently than their fellow African workers. Workshops were set up to manufacture all spare parts needed in the future, and already over 80% of the railway jobs have been turned over to Tanzanians and Zambians. The success of this project has raised the possibility of more joint efforts between China and other African countries.

#### VIII. CONCLUSION

We are on the eve of the proletarian revolution. That describes the general features of imperialist society. The communist movement in the USNA is still in its first stage--preparing to build the Marxist-Leninist party. The split in the working class--the struggle between Marxism and revisionism--is the most important factor in preventing the unity of the proletarian movement in the imperialist countries with the national liberation movement in the colonies. The split in the working class is also the most important factor in the development of fascism. Our primary task is to build a communist party and to educate the working class in Marxism-Leninism, because the revisionists never wanted to and never did. We must split with revisionism and unite with Marxism-Leninism; we must link our struggle for proletarian revolution with the struggle of oppressed nations against imperialism; we must prevent the development of fascism by overthrowing our bourgeoisie.

But imperialist society also means war. With USNA imperialism and Soviet social-imperialism engaged in fierce contention for world domination, the danger of war increases. Class antagonisms and national contradictions within these imperialist countries are sharpening as are their difficulties abroad. The capitalist countries are plagued by political and economic crisis, and while engaged in competition for markets, they are at the same time increasingly combating the superpowers' struggle for hegemony. The oppressed nations of the world are heightening their resistance against the two superpowers. The basic trend in the world today continues: "Countries want independence, nations want liberation, and peoples want revolution."